

**CLARK COUNTY SCHOOL DISTRICT**  
**CLARK COUNTY, NEVADA**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2004**

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CLARK COUNTY SCHOOL DISTRICT

Report Prepared By:  
Business and Finance Services Division, Accounting Department  
Clark County School District  
2832 E. Flamingo Road  
Las Vegas, NV 89121

Under the direction of:  
James McIntosh

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**CLARK COUNTY SCHOOL DISTRICT**  
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**FISCAL YEAR ENDED JUNE 30, 2004**

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**DISTRICT OFFICIALS**

**BOARD OF TRUSTEES**

**President**

Susan Brager-Wellman

**Vice President**

Larry Mason

**Clerk**

Mary Beth Scow

**Members**

Shirley Barber

Ruth Johnson

Sheila Moulton

Denise Brodsky

**ADMINISTRATIVE OFFICIALS**

**Superintendent of Schools**

Carlos Arturo Garcia

**Deputy Superintendents**

Walt Rulffes

Agustin Orci

**Department**

Operations

Instruction

**Associate Superintendents**

George Ann Rice

Paul Gerner

Edward Goldman

Charlene Green

Human Resources

Facilities

Educational Services

Student Support Services

**Assistant Superintendents**

Brad Reitz

Karlene McCormick-Lee

Philip Brody

Martha Tittle

Keith Bradford

School-Based Programs

Research, Accountability and Innovation

Technology

Curriculum & Professional Development

Finance

**Region Superintendents**

Carla Steinforth

Marsha Irvin

Maurice Flores

Allen Coles

Lauren Kohut-Rost

Northwest

Northeast

East

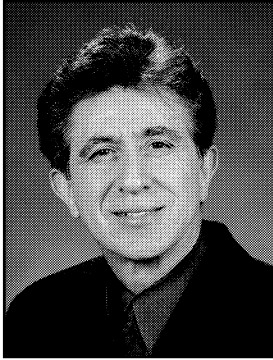
Southwest

Southeast

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# CLARK COUNTY SCHOOL DISTRICT

## BOARD OF SCHOOL TRUSTEES



**Mr. Larry P. Mason**  
Vice President  
Term Expires Jan 2007  
District D



**Mrs. Susan C. Brager-Wellman**  
President  
Term Expires Jan 2007  
District F



**Mrs. Mary Beth Scow**  
Clerk  
Term Expires Jan 2005  
District A



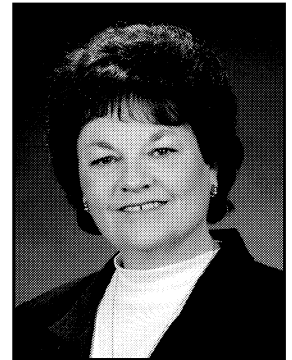
**Mrs. Ruth L. Johnson**  
Member  
Term Expires Jan 2005  
District B



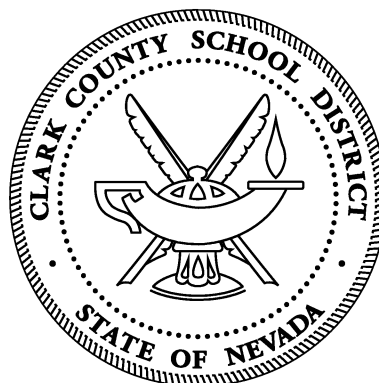
**Mrs. Shirley Barber**  
Member  
Term Expires Jan 2005  
District C



**Mrs. Denise Brodsky**  
Member  
Term Expires Jan 2005  
District E



**Mrs. Sheila R. Moulton**  
Member  
Term Expires Jan 2007  
District G



**CLARK COUNTY SCHOOL DISTRICT**  
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**FISCAL YEAR ENDED JUNE 30, 2004**

---

TABLE OF CONTENTS

<b>I. INTRODUCTORY SECTION</b>	<b>PAGE</b>
Letter of Transmittal.....	i
Organization Chart.....	ix
Certificate of Achievement for Excellence in Financial Reporting.....	x
 <b>II. FINANCIAL SECTION</b>	
Independent Auditor's Report.....	1
Management's Discussion and Analysis.....	3
 BASIC FINANCIAL STATEMENTS:	
 GOVERNMENT-WIDE FINANCIAL STATEMENTS:	
Statement of Net Assets.....	15
Statement of Activities.....	16
 FUND FINANCIAL STATEMENTS:	
 GOVERNMENTAL FUNDS:	
Balance Sheet.....	17
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Assets.....	18
Statement of Revenues, Expenditures and Changes in Fund Balances.....	19
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of the Governmental Funds to the Statement of Activities.....	20
Statement of Revenues, Expenditures and Changes in Fund Balances - Budget and Actual General Fund.....	21
Special Education Fund.....	27
 PROPRIETARY FUNDS:	
Statement of Net Assets.....	29
Statement of Revenues, Expenses and Changes in Fund Net Assets.....	30
Statement of Cash Flows.....	31
 FIDUCIARY FUND:	
Statement of Fiduciary Net Assets.....	32
 Notes to the Basic Financial Statements.....	33



# CLARK COUNTY SCHOOL DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

### FISCAL YEAR ENDED JUNE 30, 2004

---

#### TABLE OF CONTENTS

(Continued)

	SCHEDULE	PAGE
SUPPLEMENTARY INFORMATION:		
COMBINING AND INDIVIDUAL FUND STATEMENTS AND SCHEDULES:		
GOVERNMENTAL FUNDS:		
MAJOR FUNDS:		
Comparative Balance Sheets - General Fund.....	A-1	59
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - General Fund.....	A-2	60
Comparative Balance Sheets - Special Education Fund.....	A-3	66
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Special Education Fund.....	A-4	67
Comparative Balance Sheets - Debt Service Fund.....	A-5	69
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Debt Service Fund.....	A-6	70
Comparative Balance Sheets - Bond Fund.....	A-7	71
Schedule of Revenues, Expenditures, and Changes in Fund Balance - Budget (GAAP Basis) and Actual - Bond Fund.....	A-8	72
NONMAJOR GOVERNMENTAL FUNDS:		
Combining Balance Sheet.....	B-1	75
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances.....	B-2	76
NONMAJOR SPECIAL REVENUE FUNDS:		
Combining Balance Sheet .....	C-1	77
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances Nonmajor Special Revenue Funds.....	C-2	78
District Projects Fund:		
Comparative Balance Sheets.....	C-3	79
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	C-4	80
KLVX Communications Group Fund:		
Comparative Balance Sheets.....	C-5	86
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	C-6	87

# CLARK COUNTY SCHOOL DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

### FISCAL YEAR ENDED JUNE 30, 2004

---

#### TABLE OF CONTENTS

(Continued)

	SCHEDULE	PAGE
Federal Projects Fund:		
Comparative Balance Sheets.....	C-7	88
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	C-8	89
Medicaid Fund:		
Comparative Balance Sheets.....	C-9	93
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	C-10	94
NONMAJOR CAPITAL PROJECTS FUNDS:		
Combining Balance Sheet.....	D-1	97
Combining Schedule of Revenues, Expenditures and Changes in Fund Balances.....	D-2	98
Building and Sites Fund:		
Comparative Balance Sheets.....	D-3	99
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	D-4	100
Governmental Services Tax Fund:		
Comparative Balance Sheets.....	D-5	102
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	D-6	103
Extraordinary Maintenance and Capital Replacement Fund:		
Comparative Balance Sheets.....	D-7	105
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	D-8	106
Tax Fund:		
Comparative Balance Sheets.....	D-9	107
Schedule of Revenues, Expenditures and Changes in Fund Balances - Budget (GAAP Basis) and Actual.....	D-10	108
NONMAJOR ENTERPRISE FUND:		
Food Service Fund:		
Comparative Schedule of Net Assets.....	E-1	109
Schedule of Revenues, Expenses and Changes in Fund Net Assets - Budget (GAAP Basis) and Actual.....	E-2	110

# CLARK COUNTY SCHOOL DISTRICT

## COMPREHENSIVE ANNUAL FINANCIAL REPORT

### FISCAL YEAR ENDED JUNE 30, 2004

#### TABLE OF CONTENTS (Continued)

	SCHEDULE / TABLE	PAGE
INTERNAL SERVICE FUNDS:		
Combining Schedule of Net Assets.....	F-1	111
Combining Schedule of Revenues, Expenses and Changes in Fund Net Assets.....	F-2	112
Combining Schedule of Cash Flows.....	F-3	113
Insurance & Risk Management Fund:		
Schedule of Net Assets.....	F-4	114
Schedule of Revenues, Expenses and Changes in Fund Net Assets - Budget (GAAP Basis) and Actual.....	F-5	115
Graphic Arts Production Fund:		
Schedule of Net Assets.....	F-6	116
Schedule of Revenues, Expenses and Changes in Fund Net Assets - Budget (GAAP Basis) and Actual.....	F-7	117
AGENCY FUND:		
Student Activity Agency Fund:		
Schedule of Changes in Assets and Liabilities.....	G-1	119
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS:		
Schedule by Source.....	H-1	121
Schedule by Function.....	H-2	122
Schedule of Changes by Function.....	H-3	123

### III. STATISTICAL SECTION

Net Assets by Category.....	1	125
Expenses, Program Revenues and Net (Expenses)/Revenues by Function/Program.....	2	126
General Revenues and Other Changes in Net Assets.....	3	127
Fund Balances, Governmental Funds.....	4	128
Changes in Fund Balances, Governmental Funds.....	5	129
Taxable Assessed Value and Estimated Actual Value of Property.....	6	130
Property Tax Rates - All Direct and Overlapping Governments.....	7	131
Principal Property Tax Payers.....	8	132
Property Tax Levies and Collections.....	9	133
Ratios of Outstanding Debt by Type.....	10	134
Ratios of General Bonded Debt Outstanding.....	11	135
Direct and Overlapping Debt.....	12	136
Legal Debt Margin.....	13	137
Pledged Revenue Bond Coverage.....	14	138
Demographic and Economic Statistics.....	15	139
Principal Employers in Clark County.....	16	140
District Employees by Function/Program.....	17	141
Governmental Funds Capital Asset Statistics by Function.....	18	142

**CLARK COUNTY SCHOOL DISTRICT**  
**COMPREHENSIVE ANNUAL FINANCIAL REPORT**  
**FISCAL YEAR ENDED JUNE 30, 2004**

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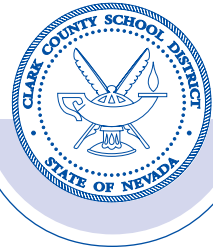
TABLE OF CONTENTS  
(Continued)

	PAGE
<b>IV. COMPLIANCE AND CONTROLS</b>	
Independent Auditor's Report on Compliance and on Internal Control over Financial Reporting Based on an Audit of Financial Statements Performed in Accordance with <i>Government Auditing Standards</i> .....	143
Independent Auditor's Report on Compliance with Requirements Applicable to each Major Program and Internal Control over Compliance in Accordance with OMB Circular A-133.....	145
Schedule of Expenditures of Federal Awards.....	147
Notes to the Schedule of Expenditures of Federal Awards.....	151
Schedule of Findings and Questioned Costs.....	152
Current Status of Prior Year Findings.....	154
Auditor's Comments:	
Current Year Statute Compliance.....	155
Progress on Prior Year Statute Compliance.....	155
Prior Year Recommendations.....	155
Current Year Recommendations.....	155
Nevada Revised Statutes 354.6113 and 354.6115.....	156
Independent Accountant's Report on Nevada Revised Statute 354.624(5)(a).....	158

# INTRODUCTORY SECTION

COMPREHENSIVE  
ANNUAL  
**FINANCIAL REPORT**

# CLARK COUNTY SCHOOL DISTRICT



2832 EAST FLAMINGO ROAD LAS VEGAS, NEVADA 89121 TELEPHONE (702) 799-5011

## BOARD OF SCHOOL TRUSTEES

Mrs. Susan C. Brager-Wellman, President  
Mr. Larry P. Mason, Vice President  
Mrs. Mary Beth Scow, Clerk  
Mrs. Shirley C. Barber, Member  
Mrs. Ruth L. Johnson, Member  
Mrs. Sheila R. Moulton, Member  
Mrs. Denise M. Brodsky, Member  
Mr. Carlos Arturo Garcia, Superintendent

October 11, 2004

To the Members of the Clark County School District Board of School Trustees and residents of Clark County, Nevada:

The Comprehensive Annual Financial Report ("CAFR") of the Clark County School District ("District"), Clark County, Nevada, for the fiscal year ended June 30, 2004, is submitted herewith in accordance with state statute. Nevada Revised Statute 354.624 requires school districts to present to their respective boards within four months of the close of each fiscal year a complete set of financial statements presented in conformity with generally accepted accounting principles ("GAAP") and audited in accordance with generally accepted auditing standards by a firm of licensed certified public accountants.

This report consists of management's representations concerning the finances of the Clark County School District. Responsibility for both the accuracy of the presented data and the completeness and fairness of the presentation, including all disclosures, rests with the management of the District. To provide a reasonable basis for making these representations, management of the District has established a comprehensive internal control framework that is designed to compile sufficient reliable information for the preparation of the District's financial statements in conformity with GAAP.

The accounting firm of Kafoury, Armstrong, & Company, CPA's, a firm of licensed certified public accountants, was selected to perform the fiscal year 2004 audit. In addition to meeting the requirements set forth in state statutes, the audit also was designed to meet the requirements of the federal Single Audit Act of 1996 and related OMB Circular A-133. Kafoury, Armstrong, & Company concluded, based upon the audit, that there was a reasonable basis for rendering an unqualified opinion that the District's financial statements for the fiscal year ended June 30, 2004, are fairly presented in conformity with GAAP. The auditor's report on the basic financial statements is included as the first component of the financial section of this report. The auditor's report on the internal accounting controls of the District and statement regarding the District's use of monies in compliance with the purpose of each fund are included in the *Compliance and Controls Section* and will be filed as a public record pursuant to NRS 354.624.

GAAP also require that management provide a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis ("MD&A"). This letter of transmittal is designed to complement MD&A and should be read in conjunction with it. The District's MD&A can be found on page 3 immediately following the *Independent Auditor's Report*.

The CAFR is presented in four sections:

***Introductory Section (unaudited)*** - includes this letter of transmittal, the District's organizational chart, and the GFOA Certificate of Achievement for fiscal year 2003.

***Financial Section*** - includes the Independent Auditor's Report, Management's Discussion and Analysis, the basic financial statements and related footnotes, combining and individual statements for major and nonmajor funds and other schedules that provide detailed information relative to the basic financial statements.

***Statistical Section (unaudited)*** - includes selected financial and demographic information, generally presented on a multi-year basis.

***Compliance and Controls Section*** - includes the annual single audit report by the independent auditor on the District's compliance with the provisions of the Single Audit Act Amendments of 1996 and the U.S. Office of Management and Budget Circular A-133, Audits of States, Local Governments, and Non-Profit Organizations. Also included in this section is the auditor's report on the internal control structure and compliance with applicable laws and regulations.

## **PROFILE OF THE CLARK COUNTY SCHOOL DISTRICT**

### **History, Geography and Population**

In 1956 Nevada's various school districts were consolidated under terms of state legislation creating countywide school districts. As such, all public educational services provided by the District are restricted to the boundaries of Clark County. Clark County covers 7,927 square miles, includes a countywide population in 2003 of approximately 1.64 million people, and is located in the southern-most part of the state. The largest cities within the county, and thus served by the District, include Las Vegas, Henderson and North Las Vegas. Other cities and rural areas served are located as far north as Indian Springs and Mesquite and as far south as Laughlin and Searchlight. Although the District serves the geographic area of Clark County, it is formally a political subdivision of the State of Nevada, which determines the majority of its funding. In addition to state authorized revenues, the District receives funding from federal and local sources and must comply with the concomitant requirements of these funding entities.

### **Structure of the District**

The District is governed by an elected, seven-member Board of School Trustees ("Board"). The Board members represent specific geographic areas and are elected by the public for four-year overlapping terms and have the authority to adopt and administer budgets as well as establish district policy. The Board employs a superintendent to serve as an administrator for the day-to-day operations of the District.

Internally, the District is aligned into five separate K-12 geographic regions. This allows for site-based decision making to address unique school and community issues and to foster a more service-oriented philosophy. A region superintendent is responsible for each region, with five region centers established on school campuses within each region. The centers facilitate access for parents to communicate with region administration.

Reporting directly to the superintendent are two deputy superintendents. The deputy superintendent of instruction is responsible for all instructional areas, including the five region superintendents. The deputy superintendent of operations/chief financial officer is responsible for all support services of

the District. This plan improves communication and community access to District staff and allows for greater student achievement accountability.

As of June 30, 2004, the District was operating 179 elementary schools, 46 middle/junior high schools, 35 high schools, 23 alternative schools, and 6 special schools with a student body of 268,357. The District is also the largest non-federal, single-entity public employer in Nevada, employing over 30,500 Clark County residents.

### **District Services**

By state mandate, the District is responsible for providing public education in Clark County, Nevada from kindergarten through twelfth grade. The District offers a variety of educational resources from regular to vocational programs in order to meet the needs of the children and adults of Clark County.

#### *Kindergarten*

Nevada state law requires that children must attend a state-approved kindergarten program in order to enter the first grade. Currently, the District offers a half-day kindergarten program for all students and a full-day program at selected schools where students have special needs. Also, the District is implementing a pilot for a full-day kindergarten program where parents pay a fee to cover the cost.

#### *Magnet / Vocational Schools*

The District offers 17 magnet schools and programs and 2 vocational schools with programs for students at any grade level looking for a more focused area of study than the general curriculum offers. Students may apply for entrance into one of these programs based on their own interests and abilities. Currently, the District offers program emphasis in such areas as science, mathematics, performing arts, technology, aerospace and medical professions.

#### *Special Education*

Special services are provided for students with disabilities. Trained District employees work with families to offer educational services along with preparing them for life after school. Both direct and support services are offered for students from ages 3 to 21.

#### *Alternative Education Programs*

The District provides alternative education programs designed to provide students who are credit deficient and/or require a non-traditional approach to education an opportunity to complete their course requirements. Programs also are designed to provide an alternative setting for students experiencing chronic behavioral problems. Juvenile Court School programs are offered for students who are no longer eligible for enrollment in comprehensive schools as well as the adjudicated youth of Clark County.

#### *Federal Programs*

The District works closely with the state and federal government to take advantage of grants offered to help meet the supplemental needs of its students. With the help of these grants the District is able to offer programs such as Indian Education, Safe and Drug-Free Schools, Adult Education and Math and Science Enhancement. The District also offers a food service program subsidized by the federal government to help guarantee a hot meal at a nominal price for its students.

#### *Edison Schools*

For the past three fiscal years, the District has partnered with Edison Schools, the nation's largest private manager of public schools, to provide educational services to certain District schools. Edison currently manages six elementary schools and one middle school belonging to the District. Edison offers its own special curriculum and education services in an attempt to increase test scores at these participating schools.



### *Distance Education*

The District has opened a distance education program which contains a new online virtual high school that offers full-time and part-time online credit-eligible high school courses. Online capacity will enable educational opportunities for students in areas of regular education, special needs, English Language Learner, and credit retrieval programs.

### *KLVX Communications Group*

The District is licensee for this local Public Broadcasting System affiliate that also provides services for school, collegiate and professional education. KLVX, Channel 10 uses its satellite uplink to service a statewide downlink network with over 135 sites at educational institutions. The division also operates two educational channels for a local consortium, and twenty closed-circuit TV channels serving schools in Clark and Nye Counties. In addition, a video lending library and a fiber optic video-on-demand service with over 20,000 titles are available to public and private schools.

### **Component Unit – KLVX Communications Group**

The CAFR includes all of the funds of the primary government unit, the District, as well as its component unit, the KLVX Communications Group (“KLVX”). KLVX is the local public telecommunications entity and is licensed to the Board of the Clark County School District. In addition to instructional services, it operates viewer-supported Public Television KLVX-TV Channel 10 and KLVX-DT digital Channel 11. A network of 29 translators extends Channel 10 programming services to viewers in four states. KLVX is a legally separate entity for which the District’s Board serves as the governing body and for which the District is financially accountable. Accordingly, the District’s financial statements include the KLVX Communications Group as a blended component unit. Blended component units, although legally separate entities, are in substance part of the primary government unit’s operations and are included as part of the primary government unit.

### **Budgetary Process and Control**

The appropriated budget of the District is prepared by fund, program (i.e., regular, special, etc.), function (i.e., instruction, transportation, etc.), and object (i.e., salaries, benefits, etc.) State statute allows transfers among programs or functions within a fund as long as there is no resulting increase in total appropriations and they are made with appropriate administrative approval along with Board advisement.

Expenditures within governmental funds that exceed budgeted appropriations at the function level are in violation of state statute. Within proprietary funds, expenditures should not exceed budgeted operating and non-operating appropriations. Budget-to-actual comparisons are provided in this report for each individual fund.

## **FACTORS AFFECTING ECONOMIC CONDITION**

### **Local Economic Outlook**

In the 2003-04 fiscal year, Clark County continued its pattern of growth and robust increases in almost all economic areas, particularly in the growing metropolis of Las Vegas. With its continued commitment to diversification in the business sector, no state corporate income or personal income tax, and several other tax incentives, Clark County and Nevada as a whole have continued to attract large numbers of new businesses and an increasing tax base. Although gaming and tourism continue to represent the majority of industry in the area, construction, manufacturing and other service industries are beginning to transform and diversify the local economy.

### *Gaming and Tourism*

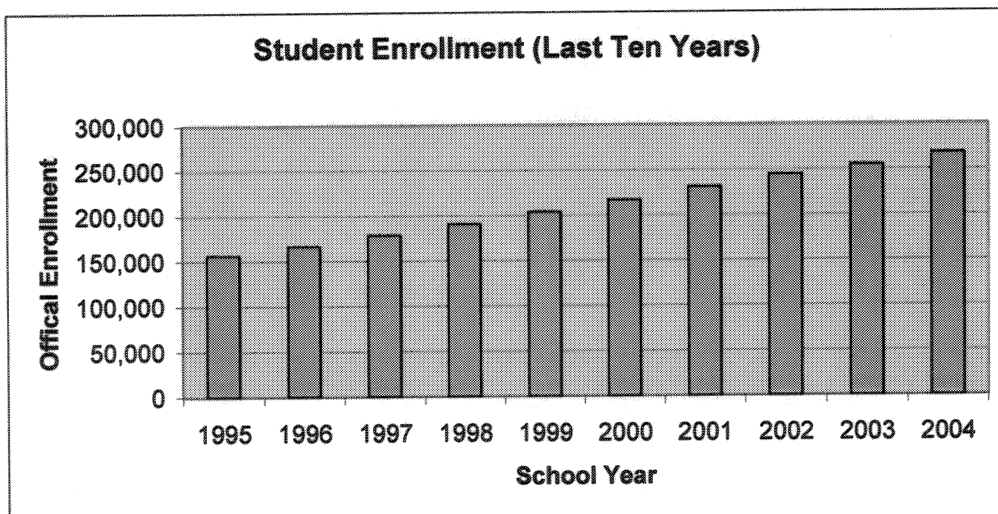
In Clark County's largest city, Las Vegas, tourism and gaming continue to dominate the local economy. In 2003, both visitor volume and gross gaming revenues have rebounded from the small declines experienced in 2001 and 2002, with Las Vegas welcoming over 35,540,000 total visitors to the city, resulting in an economic impact of approximately \$33 billion. Gross gaming revenues in 2003 ballooned to \$7.8 billion, an increase of 2.62% over the previous year. As hotel "mega-resorts" continue to diversify their offerings with shows, concerts, dance clubs, spas and fine dining restaurants, Las Vegas is becoming known for more than just legalized gaming. The latest fiscal information suggests that resorts are lessening their dependence on gaming revenues as 49.9% of total revenues at hotel-casinos were derived from gaming in Clark County in 2003, compared to 55.2% in 1999. In 2003, occupancy levels of hotels/motels in Clark County increased by 1% to an average of 85%, with a 93% occupancy rate reported for weekends. This is due in part to the continued influx of conventions, trade shows and meetings whose attendance topped 5.6 million in 2003. Total Las Vegas convention capacity has increased to 9 million square feet citywide.

Continued economic growth is interrelated to increases in other economically sensitive taxes and Clark County has seen marked increases in the generation of several other taxes, including property tax, sales tax, governmental services tax, room taxes and real property transfer taxes. Increases in the volume of these taxes directly benefit the District.

### *Population Growth*

In addition to progressive commercial growth, Clark County has experienced consistent residential population growth with the county increasing in size by approximately 63,000 people from 2002 to 2003, an increase of 4.0%. Over the past ten years, Clark County has seen its population increase by a yearly average of approximately 6.0% and the cities which have experienced the greater impact of the growth include Las Vegas, Henderson, North Las Vegas and Mesquite. High demand for housing over the years has spurred local construction activity and driven up property values significantly. The result has been yearly increases in assessed valuation which have resulted in analogous increases in property taxes.

Growth has been a double-edged sword for all local governments within the State of Nevada, including the District. Tremendous population growth has not only increased the tax base and the generation of taxes, it has created unrelenting demand for additional school facilities as the school population increases respectively. To gain a historical perspective on student growth, the following chart presents the increase in the school population over the past ten years.



To meet the current demand for services in the 2003-2004 school year, the District opened twelve new schools including seven new elementary schools, three middle schools and two high schools. School construction schedules are closely monitored by the District's Demographic and Zoning Department to respond to areas of high enrollment growth.

#### *Proposed/Planned Commercial Construction in Clark County*

Commercial construction projects, including several new hotel/casinos, are planned over the next several years. In 2003 approximately 4,844 hotel rooms were added to existing inventory to bring the total room inventory to 130,482. Approximately 1,452 additional rooms are under construction to be completed in 2004 and include expansions at the Bellagio, the Orleans and Green Valley Ranch in Henderson. An additional 5,500 rooms are projected to be added in 2005 with the majority of those rooms relating to the opening of Wynn Las Vegas, the latest hotel/casino mega-resort on the Strip, expected to open in April 2005.

To ease transportation along the resort corridor, the city of Las Vegas has neared completion on a monorail which currently connects eight major hotels and nine convention areas, including the Las Vegas Convention Center, the largest convention center in the world. The monorail will cover a four mile route and will travel at speeds of 50 miles per hour. Additional phases of the monorail are planned, which include connecting the monorail to Fremont Street (downtown) and eventually McCarran International Airport.

#### **Long-Term Financial Planning**

##### *Growth in District Facilities*

Through the 1990's and into the new millennium, the Clark County School District has remained one of the fastest growing school districts in the nation. In the 1994-1995 school year the Educational Research Service ranked the District as the 11<sup>th</sup> largest school district in the nation with an enrollment of 156,348 students. Official enrollment for the 2003-2004 school year was 268,357, making the District the 6<sup>th</sup> largest in the nation. The District has faced several financial challenges in its significant growth spurt over the past several years and, according to population and demographic projections, will continue to face challenges associated with rapid growth in Clark County.

In order to accommodate the demand for school services, the District operates one of the largest school construction programs in the country which is backed by the issuance of general obligation debt. Since it was voter approved in 1998, the District is authorized to issue, through June 30, 2008, approximately \$3.8 billion worth of general obligation bonds for school construction to be paid through the existing property tax rate (\$0.5534) for school bond debt. In addition, the District also issues general obligation debt that is additionally secured by a pledge of room taxes and real property transfer taxes. The District consistently monitors the three main revenue sources for the bond program and maintains a debt reserve account to insure its ability to service the debt associated with school construction.

With the opening of the 2003-04 school year, the District has completed construction on 40 schools and 3 replacement schools from the 1998 school construction program. An additional 13 new schools opened in August 2004 and another 44 new schools (including 7 replacement schools) are scheduled to open by 2008-09.

When the current bond program ends in 2008, the District is projecting an enrollment of 341,634, an increase of 73,277 students or 27%. With several projected future increases in its revenue sources and a funded reserve account, the current program is considered fiscally healthy and stable. In

2008, the District will likely place an issue on the ballot to reauthorize the current property tax rate to continue to meet the demand for services in the future.

### **Major Initiatives**

#### *Recruiting and Retaining Qualified Teachers*

The District hired approximately 1,500 new teachers for the 2003-2004 school year and continues to devise creative techniques to recruit quality candidates in an increasingly competitive market. The 2003 Legislative Session passed several bills creating new incentives to attract qualified teachers to the state. These include the continuation of funding for the \$2,000 signing bonus for new classroom teachers and an approved 2% salary increase for each year of the biennium.

In addition, the session included an additional 1/5<sup>th</sup> retirement credit for teachers working in at-risk schools and/or teaching in critical shortage areas including science, math, special education, second language and school psychologists. The gross cost of this program in 2003-2004 was approximately \$4 million with the state providing some, but not all, of the funding. The District is currently designating a portion of fund balance in the General Fund to allay the cost of future expenditures in the next fiscal year.

#### *Student Achievement*

Increases in student enrollment not only create challenges in providing school facilities, but challenges in the learning environment, including student poverty and limited English skills. Approximately 40% of the District's population qualifies for free or reduced-cost meals and over 24% were enrolled in an English Language Learners ("ELL") program.

Despite these challenges, elementary student scores from the Iowa Tests of Basic Skills/Educational Development administered in October 2003 were close to or slightly above the national average. Secondary student scores range from the 39<sup>th</sup> to the 48<sup>th</sup> percentile when compared nationally. ACT scores have remained consistent and continue to exceed the national standard while SAT scores remain slightly below. Student achievement is a top priority for the District as it continues to fund important programs like ELL and apply for funding under the free and reduced lunch program offered by the federal government. Projections show that enrollment for these programs is expected to increase as the student population grows.

#### *Enterprise Resource Planning System*

For the past year the District has been working to procure an Enterprise Resource Planning ("ERP") system, an integrated software system designed to manage the core business functions of the District. The ERP system is the District's first step toward its long-term goal of replacing the COBOL-based applications resident on the mainframe computer and will provide greater information integration, timely access to data, and improved reporting. Several areas to be implemented in the initial phase include accounting, budget, and purchasing. The second phase will further include human resources and payroll.

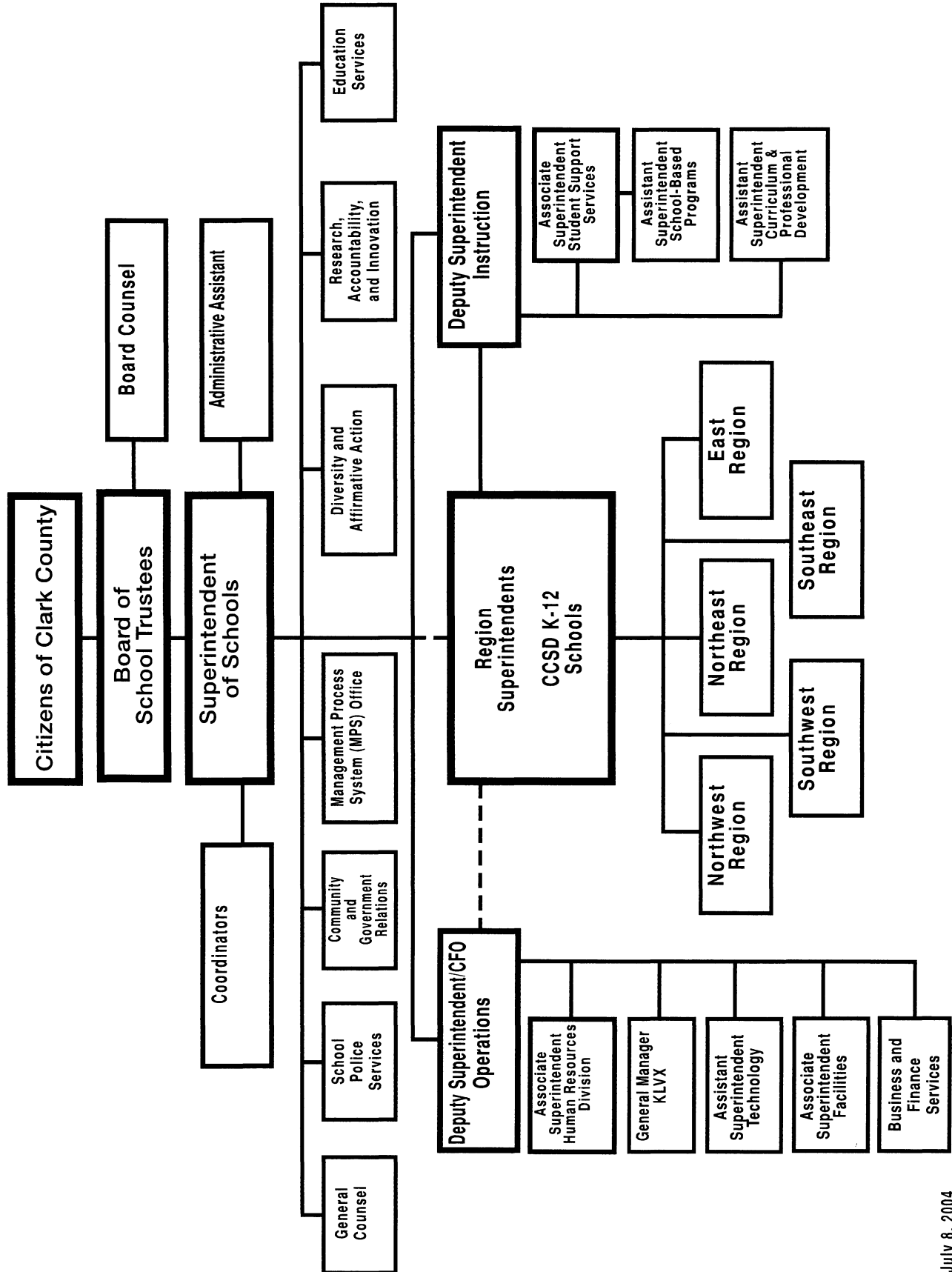
Approximately \$32 million dollars of fund balance in the General Fund has been designated in association with the eventual procurement of the ERP system with not all of the funds expected to be spent in the next fiscal year. The District expects to begin implementation of the ERP some time in fiscal year 2004-2005.

### **AWARDS AND ACKNOWLEDGMENTS**

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the Clark County School District



# CCSD Service Provider Network



July 8, 2004

GAC-6071.2

# Certificate of Achievement for Excellence in Financial Reporting

Presented to

Clark County  
School District, Nevada

For its Comprehensive Annual  
Financial Report  
for the Fiscal Year Ended  
June 30, 2003

A Certificate of Achievement for Excellence in Financial Reporting is presented by the Government Finance Officers Association of the United States and Canada to government units and public employee retirement systems whose comprehensive annual financial reports (CAFRs) achieve the highest standards in government accounting and financial reporting.



President

Executive Director

# FINANCIAL SECTION

COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT





**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

## **INDEPENDENT AUDITOR'S REPORT**

To the Board of Trustees of the  
Clark County School District  
Clark County, Nevada

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Clark County School District, Clark County, Nevada, as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements as listed in the table of contents. These financial statements are the responsibility of the District's management. Our responsibility is to express opinions on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Clark County School District, Clark County, Nevada, as of June 30, 2004, and the respective changes in financial position and cash flows, where applicable, thereof, and the respective budgetary comparison for the General Fund and Special Education Fund for the year then ended in conformity with accounting principles generally accepted in the United States of America.

In accordance with *Government Auditing Standards*, we have also issued our report dated October 1, 2004, on our consideration of the District's internal control over financial reporting and our tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements and other matters. The purpose of that report is to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the internal control over financial reporting or on compliance. That report is an integral part

of an audit performed in accordance with *Government Auditing Standards* and should be considered in assessing the results of our audit.

Management's discussion and analysis on pages 3 through 14 is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the required supplementary information. However, we did not audit the information and express no opinion on it.

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the Clark County School District, Clark County, Nevada's basic financial statements. The introductory section, combining and individual fund statements and schedules and statistical tables, as listed in the table of contents, are presented for purposes of additional analysis and are not a required part of the basic financial statements. The combining and individual fund statements and schedules have been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, are fairly stated in all material respects in relation to the basic financial statements taken as a whole. The introductory section and statistical tables have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we express no opinion on them.

The accompanying Schedule of Expenditures of Federal Awards is presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments and Non-Profit Organizations*, and is also not a required part of the basic financial statements of the District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly presented in all material respects, in relation to the basic financial statements taken as a whole.

*Kafoury, Armstrong & Co.*

Las Vegas, Nevada  
October 1, 2004

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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The Management's Discussion and Analysis ("MD&A") offers readers a narrative overview and analysis of the Clark County School District's ("District") financial statements for the fiscal year ended June 30, 2004. We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal, which precedes this report, and the financial statements, which immediately follow this report.

**FINANCIAL HIGHLIGHTS FOR FISCAL YEAR 2004**

Following is an analysis of facts, descriptions or conditions of the District, in fiscal year 2004, that had a material effect on its financial position or operating results.

**Government-wide Statements**

The overall financial position of the District improved as government-wide net assets increased during fiscal year 2004, from \$834,979,347 to \$1,025,700,863. This was mainly due to continued additions to capital assets and the District's construction program which is reported as construction in progress, a component of capital assets. Total net assets represents approximately \$425 million in capital assets, net of related debt, approximately \$367 million in assets restricted for debt service, \$78 million restricted for capital projects and over \$6 million restricted for other purposes. Due to the increase in net assets, the District is currently reporting unrestricted net assets of approximately \$147 million in 2004.

The District increased its 2004 governmental fund balances due to the following factors: (1) The Debt Service fund benefited from two advanced bond refundings which reduced interest expenditures along with increased property tax revenue and continued savings on the District's variable rate debt; (2) The District's actual local revenue exceeded budgeted projections; and (3) Expenditure savings occurred due to aggressive energy conservation programs and a one-time vacancy factor resulting from postponement of the hiring process due to a delay in final approval of the State's biennial budget. The remainder of the increase in total governmental fund balances was provided by increases in the Bond Fund and several of the other governmental funds. The consolidated ending fund balance of all governmental funds totals \$800,176,753, which is a 24% increase over the previous year.

**General Operating Fund Balance**

From fiscal year 2000 through 2003, the Board of School Trustees had waived District Regulation 3110 requiring an unreserved undesignated fund balance at 2% of general fund revenue with a commitment to restore the balance to the 2% level in the future. After several years of budget reductions exceeding \$100 million, the District has followed suit with its efforts to control increasing operating costs throughout the 2003-04 fiscal year. Continued cost controls in the areas of hiring delays and implementation of a District-wide energy conservation program have enabled the District to restore unreserved undesignated fund balance back to the 2% level. As of June 30, 2004, the unreserved undesignated (spendable) portion of fund balance reported in the general fund was \$28,059,022. This represents a \$7,254,099 increase from the previous year and is 2% of general fund revenue.

In addition to restoring the 2% level of funding in the unreserved undesignated fund balance, the District has also been able to designate additional funding for improvements in school maintenance and operations, carryover funding for potential costs of the No Child Left Behind Act ("NCLB") that impact the general operating budget, provide full funding for costs associated with the new enterprise resource planning ("ERP") system, designate funding for several new negotiated salary increases, state mandated benefit increases, and provide for rising transportation fuel costs.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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2003 Nevada Legislative Session

The 2003 Nevada Legislature provided several funding improvements for public education over the next biennium. Many of these improvements resulted in additional costs to the District in the 2003-2004 fiscal year. The state's budget continued to fund the new teacher signing bonus, provided for a 2% salary improvement and Senate Bill ("SB") 8 provided additional retirement incentives for teachers in "at-risk" schools as well as "high-impact" areas such as math, language, and special education. This additional retirement service credit cost the District approximately \$4.3 million in fiscal 2003-04 with \$2.1 million in funding provided by the State of Nevada. At the end of the current fiscal year, the District is designating \$4 million of fund balance to alleviate the costs in the next fiscal year associated with this mandate.

SB 8 also provided an increase in the per pupil basic support to \$4,077 in 2003-04. An additional \$50 per pupil was included in each year of the biennium for textbooks, instructional supplies and computer hardware. This increased per pupil funding enabled the District to purchase an additional \$12.9 million of the above-mentioned items in fiscal year 2003-2004.

Assembly Bill ("AB") 286, which now requires the District to subsidize health insurance expenditures for retirees belonging to the state Public Employees' Benefits Program, was approved without any accompanying appropriations. The cost to the District in fiscal year 2003-2004 was \$1.9 million. The state, recognizing the hardship this unfunded mandate has caused, provided a \$1.9 million subsidy in the interim to cover the costs.

Bond Program and Bond Ratings

The Clark County School District maintains and operates one of the largest school construction programs in the United States funded through the issuance of municipal bonds. Before bonds can be sold, the District provides information to various bond raters to obtain bond ratings for the proposed issue. Much of the information centers on the financial stability of the District and how it responds to various financial situations. Financial meetings and information provided to the rating agencies have resulted in the District maintaining the following high investment-grade rating with Moody's Investor Services (Aa3), Fitch (AA) and Standard and Poor (AA-). Southern Nevada's continued economic expansion as well as the District's fiscal stability has resulted in high investment-grade bond ratings leading to favorable interest rates for its bond issues.

The District obtained approval from voters in 1998, to issue approximately \$3.8 billion in general obligation bonds over the next 10 years to be paid within the existing property tax for school bond debt service. Periodically, the District issues bonds through this building program in order to construct or renovate schools with the last such building bond issue in November 2003 for \$400 million being used to build additional new schools. Also during 2004, the District continued to capitalize on favorable interest rates by refunding older higher rate debt with the issuance of new debt at a lower rate. In March 2004, the District issued two advance refundings, Series 2004A in the amount of \$210,975,000 and Series 2004B in the amount of \$124,745,000.

Edison Partnership

In 2003-2004 the District entered into the third year of its contract with Edison Schools, a privately held school management company. Edison manages six of the District's elementary schools and one middle school, with an emphasis on parental involvement and technology to meet the goal of increased student achievement. The Assessment and the Expansion Committees which review and evaluate program performance in October and February of each year did not make a recommendation to the District to expand the Edison Partnership beyond the seven schools currently managed by Edison.

Negotiations/Arbitration for Fiscal Year 2003-2004

The District was able to negotiate four year contracts for all of its employee groups (teachers, administrators, support staff and school police). The contracts generally included 2% salary increases and health insurance contribution increases for all employee groups. Fiscal year 2003-2004 is the first year of these four-year contracts which will provide the District fiscal stability on salary related issues.

## OVERVIEW OF THE FINANCIAL STATEMENTS

The District's basic financial statements are comprised of government-wide financial statements, fund financial statements, and notes to the financial statements. Following is a brief discussion of the structure of the basic financial statements.

### Government-wide Financial Statements

The government-wide financial statements are designed to provide readers with an assessment of the overall financial position and activities of the District as a whole. These statements are structured around the primary government, not including fiduciary funds. They are further divided into governmental activities and business-type activities. Governmental activities being those generally financed through taxes and intergovernmental revenues, while business-type activities are those financed to some degree by charging external parties for goods received.

The statement of net assets combines and consolidates all of the District's current financial resources (short-term spendable resources) with capital assets and long-term obligations using the accrual basis of accounting. The end result is net assets that are segregated into three components: invested in capital assets, net of related debt; restricted and unrestricted net assets.

The statement of activities presents information showing how the District's net assets changed during fiscal year 2004. All changes in net assets are reported when the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, there are some revenues and expenses reported in this statement that will result in cash flows in future fiscal periods. All expenditures are reported by related function as prescribed by the Nevada Department of Education Handbook II Accounting System.

### Fund Financial Statements

The District uses fund financial statements to provide detailed information about its most significant funds. All of the funds of the Clark County School District can be divided into three categories:

*Governmental Funds* – Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements described above. However, unlike the government-wide financial statements, governmental fund financial statements use the modified accrual basis of accounting, which focuses on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. To provide a better understanding of the relationship between the fund statements and government-wide statements, a reconciliation is provided for a more comprehensive picture of the District's financial position.

*Proprietary Funds* – Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows are reported in the proprietary funds. The District reports two types, enterprise funds and internal service funds. Enterprise funds are used to report an activity where a fee is charged to external users. The District's sole enterprise fund, the Food Service Enterprise Fund, is used to account for food service operations within the District. Internal service funds report activities that provide goods and services to the other departments of the District. The District reports two internal service funds, the Insurance and Risk Management Fund, and the Graphic Arts Production Fund.

*Fiduciary Funds* – Funds that are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. The District currently holds assets related to student activities of various schools in its single fiduciary fund, the Student Activity Agency Fund.

### Notes to the Financial Statements

The notes to the financial statements complement the financial statements by describing qualifying factors and changes throughout the fiscal year.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**GOVERNMENT-WIDE FINANCIAL ANALYSIS**

As noted previously, the government-wide statements are structured to report financial information on the District as a whole, excluding fiduciary funds. Condensed financial information with comparative amounts from the prior year is presented along with accompanying analysis.

**Clark County School District's Net Assets:**

	Governmental activities		Business-type activities		Total	
	2004	2003	2004	2003	2004	2003
Current assets	\$ 1,148,659,294	\$ 935,385,554	34,000,882	\$ 28,031,441	\$ 1,182,660,176	\$ 963,416,995
Capital assets, net	3,144,411,220	2,809,934,636	4,873,892	4,864,907	3,149,285,112	2,814,799,543
Total assets	4,293,070,514	3,745,320,190	38,874,774	32,896,348	\$ 4,331,945,288	3,778,216,538
Current liabilities	331,498,242	274,298,233	1,198,846	797,707	332,697,088	275,095,940
Long-term liabilities	2,973,037,370	2,667,642,451	509,967	498,800	2,973,547,337	2,668,141,251
Total liabilities	3,304,535,612	2,941,940,684	1,708,813	1,296,507	3,306,244,425	2,943,237,191
Net assets:						
Invested in capital assets,						
net of related debt	420,357,780	385,309,486	4,873,892	4,864,907	425,231,672	390,174,393
Restricted	452,646,711	367,606,852	-	-	452,646,711	367,606,852
Unrestricted	115,530,411	50,463,168	32,292,069	26,734,934	147,822,480	77,198,102
Total net assets	\$ 988,534,902	\$ 803,379,506	37,165,961	\$ 31,599,841	1,025,700,863	\$ 834,979,347

The District's assets exceeded liabilities by \$1,025,700,863 at the close of the current fiscal year and total net assets increased by \$190,721,516 resulting in a 23% increase in net assets.

**Governmental Activities**

The District's total net assets in governmental activities is \$988,534,902 of which, unrestricted assets total \$115,530,411; they are used to meet the ongoing obligations of the District.

Portions of total net assets are subject to external restrictions as to how they may be used. In the current fiscal year, restricted assets include assets for servicing long-term general obligation bonded debt in the amount of \$367,604,124, assets related to bond proceeds and other revenues to be used in the District's capital projects programs in the amount of \$78,726,587, and net assets restricted for other purposes include a deposit made with the State of Nevada for the District's worker's compensation self-insurance program in the amount of \$5,666,000 and a \$650,000 term endowment made to the KLVX Communications Group.

**Business-type Activities**

Business-type activities consist solely of the District's Food Service Enterprise Fund. Net assets in this fund increased by 17.6% to \$37,165,961 due to continued growth in the food service enterprise fund. Food Service is reporting approximately \$32 million in unrestricted assets.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**Clark County School District's Statement of Activities:**

	Governmental		Business-type		Totals	
	activities		activities			
	2004	2003	2004	2003	2004	2003
Revenues:						
Program revenues:						
Charges for services	\$ 3,510,880	\$ 3,375,674	\$ 25,265,865	\$ 23,533,422	\$ 28,776,745	\$ 26,909,096
Operating grants and contributions	215,823,418	188,567,950	34,782,205	31,014,083	250,605,623	219,582,033
Capital grants and contributions	1,899,494	-	-	-	1,899,494	-
Total program revenues	221,233,792	191,943,624	60,048,070	54,547,505	281,281,862	246,491,129
General revenues:						
Property taxes	586,375,454	537,953,480	-	-	586,375,454	537,953,480
Local school support tax	577,496,915	498,143,678	-	-	577,496,915	498,143,678
Governmental services tax	68,915,320	60,771,135	-	-	68,915,320	60,771,135
Room tax	51,687,682	44,370,723	-	-	51,687,682	44,370,723
Real estate transfer tax	41,089,833	24,708,324	-	-	41,089,833	24,708,324
Franchise tax	2,869,264	2,201,528	-	-	2,869,264	2,201,528
Unrestricted federal aid	664,296	567,254	-	-	664,296	567,254
Unrestricted state aid	440,743,322	398,722,032	-	-	440,743,322	398,722,032
Other local sources	19,464,494	19,313,819	(24,506)	(207,042)	19,439,988	19,106,777
Investment earnings	11,030,447	20,803,025	259,556	384,367	11,290,003	21,187,392
Total general revenues	1,800,337,027	1,607,554,998	235,050	177,325	1,800,572,077	1,607,732,323
Term endowment	650,000	-	-	-	650,000	-
Total revenues	2,022,220,819	1,799,498,622	60,283,120	54,724,830	2,082,503,939	1,854,223,452
Expenses:						
Instruction expenses	1,122,564,655	1,012,720,864	-	-	1,122,564,655	1,012,720,864
Support services:						
Student support	67,911,134	62,623,452	-	-	67,911,134	62,623,452
Instructional staff support	82,750,470	68,183,902	-	-	82,750,470	68,183,902
Educational media services	4,209,779	4,561,143	-	-	4,209,779	4,561,143
General administration	36,094,506	31,864,306	-	-	36,094,506	31,864,306
School administration	123,967,476	110,967,797	-	-	123,967,476	110,967,797
Business support	13,170,940	10,398,601	-	-	13,170,940	10,398,601
Operation and maintenance						
of plant services	152,231,786	147,080,973	-	-	152,231,786	147,080,973
Student transportation	67,051,973	61,698,920	-	-	67,051,973	61,698,920
Central support	17,552,848	19,719,350	-	-	17,552,848	19,719,350
Other support services	2,899,219	2,214,683	-	-	2,899,219	2,214,683
Facilities acquisition and						
construction services	17,038,970	8,943,207	-	-	17,038,970	8,943,207
Interest on long-term debt	129,300,304	135,101,898	-	-	129,300,304	135,101,898
Food services	-	-	55,038,363	48,459,361	55,038,363	48,459,361
Total expenses	1,836,744,060	1,676,079,096	55,038,363	48,459,361	1,891,782,423	1,724,538,457
Change in net assets before transfers	185,476,759	123,419,526	5,244,757	6,265,469	190,721,516	129,684,995
Transfers in / (out)	(321,363)	-	321,363	601,651	-	601,651
Change in net assets	185,155,396	123,419,526	5,566,120	6,867,120	190,721,516	130,286,646
Net assets - beginning	803,379,506	679,959,980	31,599,841	24,732,721	834,979,347	704,692,701
Net assets - ending	\$ 988,534,902	\$ 803,379,506	\$ 37,165,961	\$ 31,599,841	\$ 1,025,700,863	\$ 834,979,347

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**Governmental Activities**

**Net Assets**

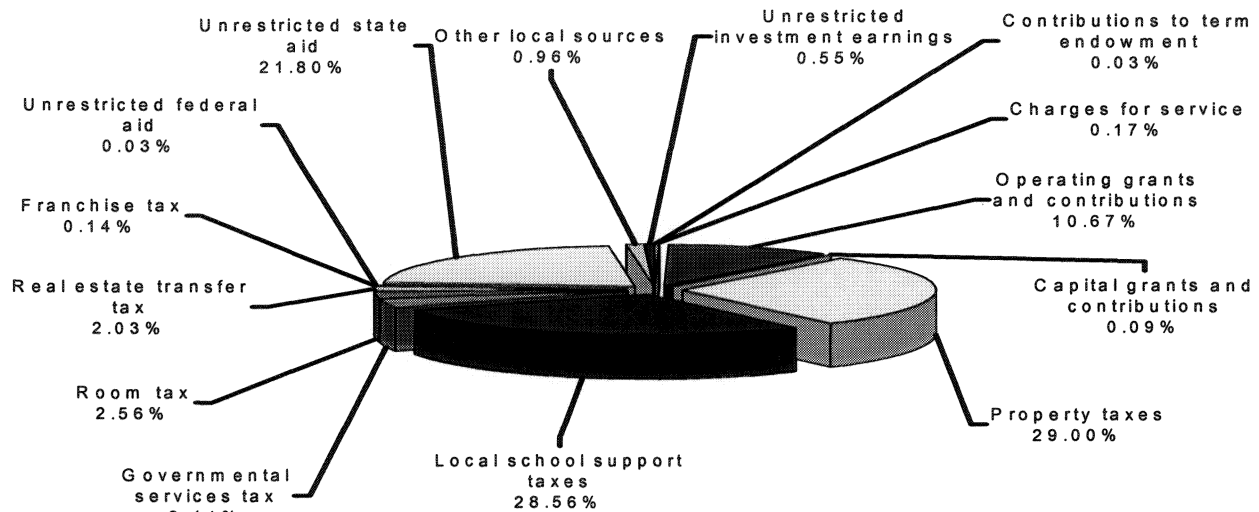
Governmental activities increased the District's net assets by \$185,155,396, accounting for almost 100% of the growth in net assets for the District as a whole. Increases in net assets can be directly correlated to significant revenue increases in almost every area but mainly property taxes, local school support taxes, and real estate transfer tax.

**Revenues**

The largest general revenues received by the District include aggregated property taxes in the amount of \$586,375,454 and local school support tax in the amount of \$577,496,915. These taxes represent 29.00% and 28.56% percent, respectively, of total revenues for the current fiscal year.

Due to market conditions, the District experienced a drop in its investment earnings as of June 30, 2004. This was mainly due to rising interest rates occurring at fiscal year end which caused the market value of current District short-term holdings to decrease resulting in unrealized losses across several of the District's funds.

**Governmental Activities – Revenue Sources**



**Governmental Activities - Change in Revenues**

Revenues	2004	2003	Inc / (Dec) from 2003	% Inc / (Dec) from 2003
Charges for service	\$ 3,510,880	\$ 3,375,674	\$ 135,206	4.01%
Operating grants and contributions	215,823,418	188,567,950	27,255,468	14.45%
Capital grants and contributions	1,899,494	-	1,899,494	N/A
Property taxes	586,375,454	537,953,480	48,421,974	9.00%
Local school support taxes	577,496,915	498,143,678	79,353,237	15.93%
Governmental services tax	68,915,320	60,771,135	8,144,185	13.40%
Room tax	51,687,682	44,370,723	7,316,959	16.49%
Real estate transfer tax	41,089,833	24,708,324	16,381,509	66.30%
Franchise tax	2,869,264	2,201,528	667,736	30.33%
Unrestricted federal aid	664,296	567,254	97,042	17.11%
Unrestricted state aid	440,743,322	398,722,032	42,021,290	10.54%
Other local sources	19,464,494	19,313,819	150,675	0.78%
Unrestricted investment earnings	11,030,447	20,803,025	(9,772,578)	-46.98%
Contributions to term endowment	650,000	-	650,000	N/A
<b>Total revenues</b>	<b>\$ 2,022,220,819</b>	<b>\$ 1,799,498,622</b>	<b>\$ 222,722,197</b>	<b>12.38%</b>

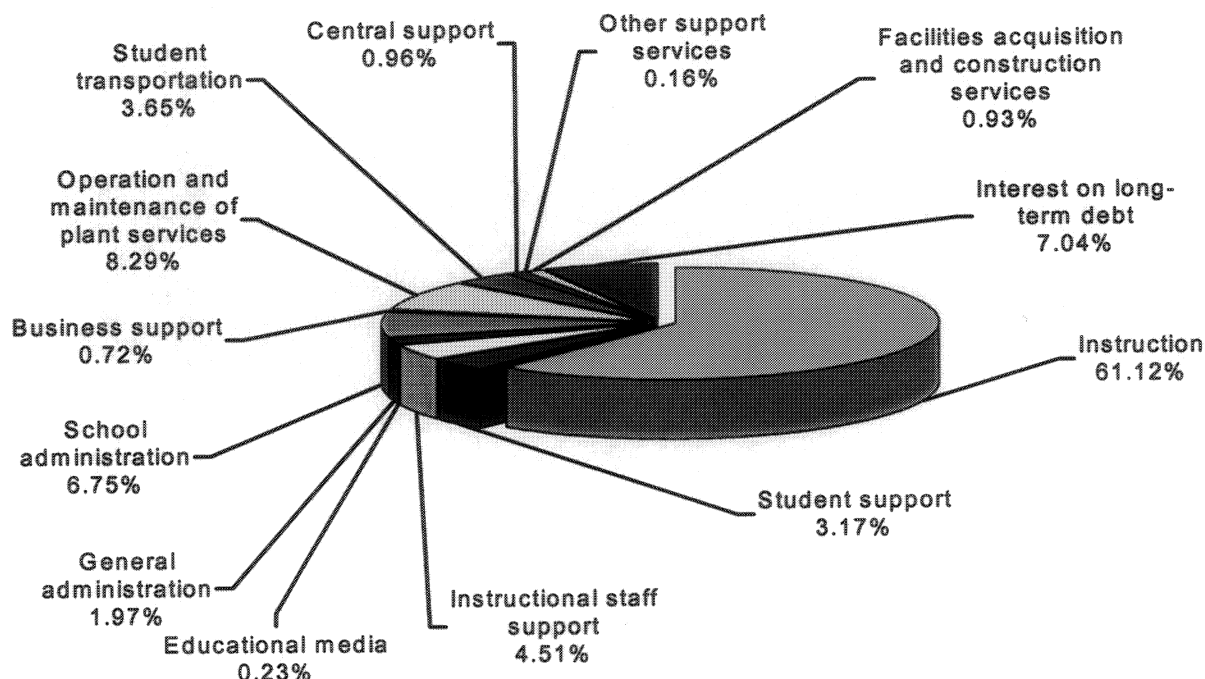


**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**Expenditures**

Instruction expenditures represent more than 61% of total governmental expenses. Instruction expenditures consist of regular, special, vocational, adult and other types of instructional services and supplies provided with over 97% spent on regular and special education. Operation and maintenance of district buildings account for the next highest expenditure with approximately 8.29% of total expenditures.

**Governmental Activities – Expenditures by Function \*\***



\*\* Percentages in the chart above do not total to 100% due to rounding

**Governmental Activities - Change in Expenses by Function**

Expenditures	2004	2003	Increase / (Decrease) from 2003	% Increase / (Decrease) from 2003
Instruction	\$ 1,122,564,655	\$ 1,012,720,864	\$ 109,843,791	10.85%
Student support	67,911,134	62,623,452	5,287,682	8.44%
Instructional staff support	82,750,470	68,183,902	14,566,568	21.36%
Educational media	4,209,779	4,561,143	(351,364)	-7.70%
General administration	36,094,506	31,864,306	4,230,200	13.28%
School administration	123,967,476	110,967,797	12,999,679	11.71%
Business support	13,170,940	10,398,601	2,772,339	26.66%
Operation and maintenance of plant services	152,231,786	147,080,973	5,150,813	3.50%
Student transportation	67,051,973	61,698,920	5,353,053	8.68%
Central support	17,552,848	19,719,350	(2,166,502)	-10.99%
Other support services	2,899,219	2,214,683	684,536	30.91%
Facilities acquisition and construction services	17,038,970	8,943,207	8,095,763	90.52%
Interest on long-term debt	129,300,304	135,101,898	(5,801,594)	-4.29%
<b>Total expenses</b>	<b>\$ 1,836,744,060</b>	<b>\$ 1,676,079,096</b>	<b>\$ 160,664,964</b>	<b>9.59%</b>

Business support increased due to warehouse purchases, reported under this function, exceeding issues at year end. Other support services reported increases due to the timing of indirect costs in Federal Programs. Facilities acquisition and construction services reported an increase due to an increase in the portion of expenditures that are not allocated to construction in progress projects.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

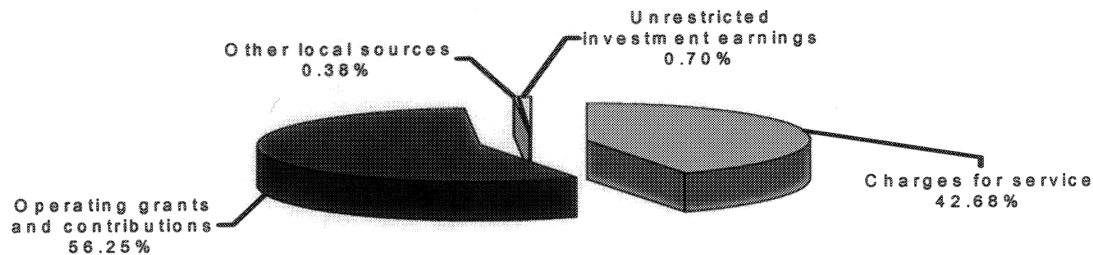
**Business-type Activities**

Business-type activities consist solely of the District's Food Service Enterprise Fund. In the current fiscal year this activity increased net assets by \$5,566,120, accounting for only a small percentage of the total growth in the District's net assets.

Food service student charges and federal subsidies including contributions of commodity food products account for almost 100% of the revenues received by business-type activities, with student charges representing approximately 42% and federal subsidies accounting for 56%.

The majority of the expenditures in business-type activities are for food purchases and salary expenses to maintain the District's food service program.

**Business-type Activities – Revenue Sources \*\***



\*\* Percentages in the chart above do not total to 100% due to rounding

**Business-type Activities - Change in Revenues**

Revenues	2004	2003	Increase / (Decrease) from 2003	% Increase / (Decrease) from 2003
Charges for service	\$ 25,265,865	\$ 23,533,422	\$ 1,732,443	7.36%
Operating grants and contributions	34,782,205	31,014,083	3,768,122	12.15%
Other local sources	(24,506)	(207,042)	182,536	-88.16%
Unrestricted investment earnings	259,556	384,367	(124,811)	-32.47%
<b>Total Revenues</b>	<b>\$ 60,283,120</b>	<b>\$ 54,724,830</b>	<b>\$ 5,558,290</b>	<b>10.16%</b>

**ANALYSIS OF GOVERNMENTAL FUND BALANCES AND TRANSACTIONS**

Governmental funds use fund accounting and follow the modified accrual basis of accounting which focuses on short-term sources and uses of spendable resources. Following is an analysis of individual fund balances and material transactions.

At the end of the current fiscal year, the District's governmental funds reported combined ending fund balances of approximately \$800 million, an increase of over \$155 million from last year mainly due to increases in tax

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

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revenues across the board and savings from District energy conservation programs and staff vacancies. Approximately 78% of this fund balance is reserved, while 12% is unreserved. Of the unreserved portion of fund balance, \$102,212,778 is designated for various projects throughout the district including the ERP business resource system, various subsidies for health care, increases in salaries per the new licensed contract, fuel increases, additional PERS service credit for qualifying teachers, additional capital improvements, and potential staffing costs associated with NCLB mandates. Unreserved undesignated fund balance, for all governmental funds which serves as a useful measure of the District's net resources, as a whole, available for spending is \$71,443,091, or 8.8% of the total fund balance.

The main operating fund of the District is the General Fund. At the end of the current fiscal year the total fund balance in the general fund was \$108,293,548; reserved portion totaled \$20,545,078 and the unreserved designated portion was \$59,689,448. The unreserved undesignated portion which represents spendable resources was \$28,059,022, representing 26% of the total fund balance or 2% of the general operating budget resources.

### BUDGETARY HIGHLIGHTS

The original budget (2003-04 Final Budget) was approved May 21, 2003. Budgeted appropriations are developed with certain main determinants remaining unknown; most important of which are the final certified enrollment and the prior year's ending fund balance. For this reason, the "original" budget is approved and submitted based on future resolution of these unknown issues. The final budget (2003-04 Amended Final Budget) which was approved December 11, 2003 is more accurately representative of final appropriations.

Nevada statutes and District regulations require that school Districts legally adopt budgets for all funds. Budgets are prepared in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. The final appropriated budget is prepared by fund, program and function. All appropriations lapse at year-end and encumbrances are re-appropriated in the ensuing fiscal year.

There were several variances between the original and final budgets that should be noted:

- In the regular programs, instruction function, the District budgeted approximately \$142 million in benefits expenditures in the original budget which increased to \$150 million in the final budget. The difference of \$8 million mainly relates to the additional costs associated with negotiated health insurance increases, as well as legislatively mandated retiree health insurance subsidies and an additional retirement service credit for teachers in "at-risk" schools or teaching "high-impact" subjects.
- Also in the regular programs, instruction function, the District originally budgeted approximately \$23.4 million for instructional supplies which increased to \$40.5 million in the final budget. The difference of \$17.1 million was primarily due to an additional state appropriation of \$50 per student to allow for increased purchases of textbooks, instructional supplies, and computer hardware.
- In the vocational programs, instruction function, the District originally budgeted for the salaries and benefits associated only with its vocational high schools as part of a coding reclassification of the magnet and vocational programs. The final budget eventually included the salaries and benefits additionally associated with the District's several magnet programs. The difference is a \$3 million and \$1.3 million increase to both salaries and benefits budgeted expenditures.
- In the undistributed expenditures program, operation and maintenance of plant services function, the original budget for property expenditures was increased by \$3.5 million to account for increases in maintenance vehicle expenditures. Additional buses were also budgeted for under the same program but in the student transportation function, with an increase from the original to final budget of \$2.1 million.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

The Board adopted the 2003-2004 Amended Final Budget for the General Fund in December of 2003 that reflected total resources and applications of \$1,429,033,018 including a projected ending fund balance of \$59,657,880. Actual resources were less than budgeted resources by \$13,168,408 for total resources of \$1,415,864,610. This is primarily due to budgeting \$20 million in lease financing sources the District was to receive to begin implementation of its ERP system. The District never pursued this financing. Procurement and implementation of the ERP has been scheduled for fiscal year 2004-2005 with funding for the project now designated out of ending fund balance as of June 30, 2004.

The actual total ending fund balance of \$108,293,548 was \$48,635,668 higher than budgeted; the unreserved undesignated (spendable) portion was budgeted at \$23,162,252 with the actual being \$28,059,022 a 21% increase. For fiscal 2003-2004 General Fund total revenues came in \$8.8 million higher than budgeted, total expenditures came in \$58 million under budget, and net other financing sources and uses came in \$18 million less than budgeted.

**CAPITAL ASSETS AND LONG-TERM DEBT**

**Capital Assets**

At June 30, 2004, the District held approximately \$3.1 billion invested in a broad range of capital assets, net of depreciation, including land and improvements, buildings and improvements, and equipment. This amount represents a net increase (including additions, disposals, and depreciation) of \$334 million or 12% from last year. The following table reflects additions and disposals of capital assets for governmental and business-type activities.

**Governmental Activities Capital Assets:**

	Balance June 30, 2003	Additions	Disposals	Balance June 30, 2004
Land	\$ 163,545,273	\$ 7,944,507	\$ -	\$ 171,489,780
Land Improvements	544,429,834	103,436,155	(1,481,799)	646,384,190
Buildings	1,734,937,339	320,706,785	-	2,055,644,124
Building Improvements	590,588,619	112,039,118	(3,444,526)	699,183,211
Equipment	162,111,226	29,020,134	(4,715,568)	186,415,792
Construction in Progress	319,655,947	412,058,508	(529,595,500)	202,118,955
Less: Accumulated Depreciation	(705,333,602)	(117,282,768)	5,791,538	(816,824,832)
 Total Capital Assets, Net	 <u>\$ 2,809,934,636</u>	 <u>\$ 867,922,439</u>	 <u>\$(533,445,855)</u>	 <u>\$3,144,411,220</u>

The majority of the increase in capital assets relates to the construction or improvement of District school buildings. In fiscal year 2004, the District opened 12 new schools, which are reported as additions to buildings, and has several currently in progress and reported as construction in progress, with another 13 schools scheduled to open in fiscal year 2005. Additions to land and building improvements include expansions and renovations to existing district facilities. Construction in progress additionally includes school renovations, improvements and expansions to existing schools as well as work performed to completely replace some older existing schools.

Equipment additions include purchases for maintenance vehicles, buses and district-wide telephone voice system and copier replacement programs.

**CLARK COUNTY SCHOOL DISTRICT  
MANAGEMENT'S DISCUSSION AND ANALYSIS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**Business-type Activities Capital Assets:**

	Balance June 30, 2003	Additions	Disposals	Balance June 30, 2004
Buildings	\$ 86,841	\$ -	\$ -	\$ 86,841
Building Improvements	3,196,177	-	-	3,196,177
Equipment	5,292,190	626,014	(54,707)	5,863,497
Less: Accumulated Depreciation	(3,710,301)	(581,209)	18,887	(4,272,623)
<b>Total Capital Assets, Net</b>	<b>\$ 4,864,907</b>	<b>\$ 44,805</b>	<b>\$ (35,820)</b>	<b>\$ 4,873,892</b>

The additions to equipment in the Districts Food Service Enterprise Fund are directly related to growth in the student population and thus increase in services provided by this fund. Capital assets increased by a small margin net of depreciation. Additional information on the District's capital assets can be found in note 5 on pages 47-48 of this report.

**Long-term Debt**

As of June 30, 2004, the District carried approximately \$2.97 billion in debt, including general obligation bonds and liabilities for compensated absences. The District issues general obligation bonds to finance various projects including but not limited to constructing or purchasing new buildings, enlarging, remodeling or repairing existing buildings or grounds, acquiring sites for new buildings, paying expenses relating to the acquisition of school facilities which have been leased by a school district, and purchase necessary furniture and equipment for schools including equipment used for the transportation of pupils. The following table summarizes long-term debt activity over the past fiscal year.

**Long-term Debt and Capitalized Lease Obligations:**

	Balance June 30, 2003	Issuances	Retirements	Balance June 30, 2004
<b><i>Governmental Activities:</i></b>				
General Obligation Debt	\$ 2,601,080,001	\$735,720,000	\$(458,900,000)	\$ 2,877,900,001
Plus: Premiums	72,525,047	63,890,385	(7,377,218)	129,038,214
Less: Discounts	(9,241,180)	-	2,807,723	(6,433,457)
Less: Deferred Losses	(28,435,374)	(37,507,232)	3,408,188	(62,534,418)
 General Obligation Debt, Net	 2,635,928,494	 762,103,153	 (460,061,307)	 2,937,970,340
 Compensated Absences Payable	 31,713,957	 21,229,606	 (17,876,533)	 35,067,030
 Total Long-term Debt, Net	 <b>\$ 2,667,642,451</b>	 <b>\$783,332,759</b>	 <b>\$(477,937,840)</b>	 <b>\$ 2,973,037,370</b>
 <b><i>Business-type Activities:</i></b>				
Compensated Absences	\$ 498,800	\$ 203,400	\$ (192,233)	\$ 509,967

Per Nevada Revised Statute Chapter 387.400, the debt limitation for the District is equal to 15 percent of the assessed valuation of property, excluding motor vehicles. The debt limitation currently applicable at June 30, 2004 is \$6,693,602,880. It is expected that future increases in assessed valuation and the retirement of bonds will result, at all times, in a statutory debt limitation in excess of outstanding debt, subject to changes in assumptions, costs and revenues.

In November of 2003, the District issued Series 2003D for \$400,000,000 as part of the District's building bond program with the bond proceeds recorded in the District's Bond Fund. On March 1, 2004 the District issued Series 2004A for \$210,975,000 and Series 2004B for \$124,745,000. Both were issued to take advantage of favorable market conditions by advance refunding the Districts outstanding general obligation debt. The 2004B Series advance refunded debt that was additionally secured by pledged revenues; the District's portion of room tax and real estate transfer tax. This series is additionally secured by these revenues as well. The two refunding issues had a present value savings of \$10,819,836 and \$6,925,141, respectively.

Additional information on the District's long-term debt can be found in notes 8, 9 and 10 on pages 49-53 of this report.

This financial report is designed to provide its users with a general overview of the Clark County School District's finances and to demonstrate the District's accountability for the revenues it receives. Additional information and an electronic copy of this report may be found at the District's web site, [www.ccsd.net](http://www.ccsd.net). Any further questions, comments or requests for additional financial information should be addressed to:

[illegible]

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
JUNE 30, 2004

	Governmental Activities	Business-type Activities	Total
<u>ASSETS</u>			
Pooled cash and investments	\$ 921,050,965	\$ 26,549,812	\$ 947,600,777
Accounts receivable	210,625,004	2,310,358	212,935,362
Interest receivable	3,568,541	-	3,568,541
Inventories	2,219,370	5,128,237	7,347,607
Prepays	1,747,793	12,475	1,760,268
Deferred charges - bond issuance	9,447,621	-	9,447,621
Capital assets, net of accumulated depreciation	3,144,411,220	4,873,892	3,149,285,112
<b>TOTAL ASSETS</b>	<b>4,293,070,514</b>	<b>38,874,774</b>	<b>4,331,945,288</b>
<u>LIABILITIES</u>			
Accounts payable	97,287,915	656,044	97,943,959
Accrued salaries and benefits	154,163,844	542,802	154,706,646
Deferred revenues	7,379,452	-	7,379,452
Interest payable	10,977,394	-	10,977,394
Construction contracts and retention payable	34,886,556	-	34,886,556
Liability insurance claims payable	13,740,103	-	13,740,103
Workers' compensation claims payable	12,062,978	-	12,062,978
Deposits payable	1,000,000	-	1,000,000
Portion due or payable within one year:			
General obligation bonds payable	146,030,000	-	146,030,000
Compensated absences payable	17,855,085	192,233	18,047,318
Portion due or payable after one year:			
General obligation bonds payable	2,791,940,340	-	2,791,940,340
Compensated absences payable	17,211,945	317,734	17,529,679
<b>TOTAL LIABILITIES</b>	<b>3,304,535,612</b>	<b>1,708,813</b>	<b>3,306,244,425</b>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	420,357,780	4,873,892	425,231,672
Restricted for:			
Debt service	367,604,124	-	367,604,124
Capital projects	78,726,587	-	78,726,587
Other purposes	6,316,000	-	6,316,000
Unrestricted	115,530,411	32,292,069	147,822,480
<b>TOTAL NET ASSETS</b>	<b>\$ 988,534,902</b>	<b>\$ 37,165,961</b>	<b>\$ 1,025,700,863</b>

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Functions / Programs	Expenses	Program Revenues			Net (Expenses) Revenues and Changes in Net Assets		
		Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business-type Activities	Total
<u>GOVERNMENTAL ACTIVITIES:</u>							
Instruction:							
Regular instruction	\$ (917,827,724)	\$ 777,852	\$ 128,137,712	\$ -	\$ (788,912,160)	\$ -	\$ (788,912,160)
Special instruction	(181,628,969)	-	32,019,727	-	(149,609,242)	-	(149,609,242)
Vocational instruction	(12,251,517)	-	1,662,825	-	(10,588,692)	-	(10,588,692)
Adult instruction	(5,148,381)	205,019	5,150,538	-	207,176	-	207,176
Other instruction	(5,708,064)	2,426,139	-	-	(3,281,925)	-	(3,281,925)
Total instruction	(1,122,564,655)	3,409,010	166,970,802	-	(952,184,843)	-	(952,184,843)
Support services:							
Student support	(67,911,134)	-	9,000,577	-	(58,910,557)	-	(58,910,557)
Instructional staff support	(82,750,470)	-	14,882,354	-	(67,868,116)	-	(67,868,116)
Educational media services	(4,209,779)	-	4,539,331	-	329,552	-	329,552
General administration	(36,094,506)	-	14,791,436	-	(21,303,070)	-	(21,303,070)
School administration	(123,967,476)	-	-	-	(123,967,476)	-	(123,967,476)
Business support	(13,170,940)	101,870	157,609	-	(12,911,461)	-	(12,911,461)
Operation and maintenance of plant services	(152,231,786)	-	2,115,979	1,899,494	(148,216,313)	-	(148,216,313)
Student transportation	(67,051,973)	-	197,690	-	(66,854,283)	-	(66,854,283)
Central support	(17,552,848)	-	751,751	-	(16,801,097)	-	(16,801,097)
Other support services	(2,899,219)	-	2,415,889	-	(483,330)	-	(483,330)
Facilities acquisition and construction services	(17,038,970)	-	-	-	(17,038,970)	-	(17,038,970)
Interest on long-term debt	(129,300,304)	-	-	-	(129,300,304)	-	(129,300,304)
Total support services	(714,179,405)	101,870	48,852,616	1,899,494	(663,325,425)	-	(663,325,425)
TOTAL GOVERNMENTAL ACTIVITIES	(1,836,744,060)	3,510,880	215,823,418	1,899,494	(1,615,510,268)	-	(1,615,510,268)
<u>BUSINESS-TYPE ACTIVITIES:</u>							
Food services	(55,038,363)	25,265,865	34,782,205	-	-	5,009,707	5,009,707
TOTAL SCHOOL DISTRICT	\$ (1,891,782,423)	\$ 28,776,745	\$ 250,605,623	\$ 1,899,494	\$ (1,615,510,268)	\$ 5,009,707	\$ (1,610,500,561)
<u>General revenues:</u>							
<u>Taxes:</u>							
Property taxes, levied for general purposes					336,971,486	-	336,971,486
Property taxes, levied for debt service					249,403,968	-	249,403,968
Local school support taxes					577,496,915	-	577,496,915
Governmental services tax					68,915,320	-	68,915,320
Room tax					51,687,682	-	51,687,682
Real estate transfer tax					41,089,833	-	41,089,833
Two percent franchise tax					2,869,264	-	2,869,264
Federal aid not restricted to specific purposes					664,296	-	664,296
State aid not restricted to specific purposes					440,743,322	-	440,743,322
Other local sources					19,464,494	(24,506)	19,439,988
Unrestricted investment earnings					11,030,447	259,556	11,290,003
Contributions to term endowment					650,000	-	650,000
Transfers					(321,363)	321,363	-
Total general revenues, contributions to term endowment and transfers					1,800,665,664	556,413	1,801,222,077
Change in net assets					185,155,396	5,566,120	190,721,516
Net assets - July 1					803,379,506	31,599,841	834,979,347
Net assets - June 30					\$ 988,534,902	\$ 37,165,961	\$ 1,025,700,863

The notes to the financial statements are an integral part of this statement.



CLARK COUNTY SCHOOL DISTRICT  
BALANCE SHEET  
GOVERNMENTAL FUNDS  
JUNE 30, 2004

	MAJOR FUNDS				Other	Total
	General Fund	Special Education Fund	Debt Service Fund	Bond Fund	Governmental Funds	Governmental Funds
<b>ASSETS</b>						
Pooled cash and investments	\$ 124,682,658	\$ 23,319,938	\$ 364,321,676	\$ 297,700,775	\$ 74,873,516	\$ 884,898,563
Accounts receivable	149,887,112	30,499	6,616,473	20,932,737	33,020,941	210,487,762
Interest receivable	1,673,121	-	176,895	1,718,525	-	3,568,541
Inventories	1,939,549	-	-	-	27,766	1,967,315
Prepays	1,680,976	31,139	-	-	25,861	1,737,976
TOTAL ASSETS	\$ 279,863,416	\$ 23,381,576	\$ 371,115,044	\$ 320,352,037	\$ 107,948,084	\$ 1,102,660,157
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts payable	53,845,197	447,411	-	27,617,478	11,930,368	93,840,454
Intergovernmental accounts payable	3,100,460	-	-	-	-	3,100,460
Accrued salaries and benefits	108,760,176	22,934,165	-	1,060,554	21,340,381	154,095,276
Deferred revenue	5,864,035	-	3,510,920	-	6,185,703	15,560,658
Construction contracts and retentions payable	-	-	-	34,381,825	504,731	34,886,556
Other current liabilities	-	-	-	-	1,000,000	1,000,000
Total liabilities	171,569,868	23,381,576	3,510,920	63,059,857	40,961,183	302,483,404
<b>FUND BALANCES:</b>						
Reserved for:						
Inventories	1,939,549	-	-	-	27,766	1,967,315
Prepays	1,680,976	31,139	-	-	25,861	1,737,976
Encumbrances	11,314,523	-	-	240,664,159	-	251,978,682
Grants	3,010,030	-	-	-	922,757	3,932,787
Debt service	2,600,000	-	367,604,124	-	-	370,204,124
Unreserved, reported in:						
Major Funds:						
Designated for:						
School carryover	2,508,383	-	-	-	-	2,508,383
Improvements in maintenance and operations	1,000,000	-	-	-	-	1,000,000
Potential impacts of NCLB mandates carryover	1,354,000	-	-	-	-	1,354,000
ERP business resource data system	32,298,000	-	-	-	-	32,298,000
Bus fuel increases	800,000	-	-	-	-	800,000
Subsidy for retirees with PEBP	3,150,000	-	-	-	-	3,150,000
Career plan health insurance subsidy	900,000	-	-	-	-	900,000
Teacher contract liability	11,764,151	-	-	-	-	11,764,151
ESEA employee group insurance reserve	1,864,914	-	-	-	-	1,864,914
At-risk / high-impact additional PERS credit	4,050,000	-	-	-	-	4,050,000
Capital improvements	-	-	-	16,628,021	-	16,628,021
Undesignated	28,059,022	(31,139)	-	-	-	28,027,883
Special Revenue Funds:						
Undesignated	-	-	-	-	40,115,208	40,115,208
Capital Projects Funds:						
Designated for:						
Capital improvements	-	-	-	-	19,203,803	19,203,803
Capital replacement	-	-	-	-	6,691,506	6,691,506
Total fund balances	108,293,548	-	367,604,124	257,292,180	66,986,901	800,176,753
TOTAL LIABILITIES AND FUND BALANCES	\$ 279,863,416	\$ 23,381,576	\$ 371,115,044	\$ 320,352,037	\$ 107,948,084	\$ 1,102,660,157

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
RECONCILIATION OF THE GOVERNMENTAL FUNDS BALANCE SHEET  
TO THE STATEMENT OF NET ASSETS  
JUNE 30, 2004

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**Total fund balance – governmental funds** **\$ 800,176,753**

*Amounts reported for governmental activities in the statement of net assets are different because:*

Capital assets net of the related depreciation are not reported in the governmental funds financial statements because they are not current financial resources, but they are reported in the statement of net assets. 3,143,995,072

Certain long-term assets are not reported in this fund financial statement because they are not available to pay current period expenditures, but they are reported as assets in the statement of net assets. 8,181,208

Certain liabilities are not reported in the governmental funds financial statements because they are not due and payable, but they are presented as liabilities in the statement of net assets. (2,974,454,628)

Assets and liabilities of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Production Internal Service Fund are not reported in the governmental funds financial statements because they are presented on a different accounting basis, but they are presented as assets and liabilities in the statement of net assets. 10,636,497

**Total net assets – governmental activities** **\$ 988,534,902**

The notes to the financial statements are an integral part of this statement.

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CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
GOVERNMENTAL FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	MAJOR FUNDS				Other	Total
	General Fund	Special Education Fund	Debt Service Fund	Bond Fund	Governmental Funds	Governmental Funds
<u>REVENUES:</u>						
Local sources	\$ 977,737,235	\$ 6,405	\$ 254,261,526	\$ 97,891,210	\$ 34,336,652	\$ 1,364,233,028
State sources	389,945,988	48,267,346	-	-	107,961,975	546,175,309
Federal sources	664,296	-	-	-	107,987,344	108,651,640
Other sources	429,460	-	-	-	3,526,552	3,956,012
TOTAL REVENUES	1,368,776,979	48,273,751	254,261,526	97,891,210	253,812,523	2,023,015,989
<u>EXPENDITURES:</u>						
Current:						
Instruction:						
Regular instruction	658,023,128	-	-	36,301,065	138,031,599	832,355,792
Special instruction	13,396,965	154,447,415	-	-	13,608,569	181,452,949
Vocational instruction	10,327,153	-	-	-	1,994,482	12,321,635
Adult instruction	-	-	-	-	5,166,019	5,166,019
Other instruction	5,679,283	-	-	-	18,077	5,697,360
Support services:						
Student support	47,111,826	11,346,575	-	-	9,376,223	67,834,624
Instructional staff support	54,311,756	3,384,156	-	2,866,715	22,349,043	82,911,670
Educational media services	-	-	-	-	4,097,183	4,097,183
General administration	17,353,422	124,222	-	-	17,783,372	35,261,016
School administration	121,836,479	51,065	-	-	326,884	122,214,428
Business support	11,462,572	519,126	-	2,571,441	270,056	14,823,195
Operation and maintenance of plant services	160,948,719	28,420	-	557,650	3,536,208	165,070,997
Student transportation	34,843,441	25,891,229	-	-	281,833	61,016,503
Central support	17,881,846	-	-	-	769,289	18,651,135
Other support services	-	-	-	-	2,899,220	2,899,220
Facilities acquisition and construction services	1,770,325	-	-	-	-	1,770,325
Capital outlay:	-	-	-	401,982,080	23,414,970	425,397,050
Debt service:						
Principal	-	-	115,809,024	-	-	115,809,024
Interest	-	-	139,119,656	-	-	139,119,656
Purchased services	-	-	400,633	-	-	400,633
Payment to refunded bond escrow agent	-	-	2,947,344	-	-	2,947,344
Bond issuance costs	-	-	1,887,462	-	-	1,887,462
TOTAL EXPENDITURES	1,154,946,915	195,792,208	260,164,119	444,278,951	243,923,027	2,299,105,220
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	213,830,064	(147,518,457)	(5,902,593)	(346,387,741)	9,889,496	(276,089,231)
OTHER FINANCING SOURCES (USES):						
Transfers in	-	147,518,457	55,674,642	-	5,105,690	208,298,789
Transfers out	(152,624,147)	-	-	(55,674,642)	-	(208,298,789)
General obligation bonds issued	-	-	-	400,000,000	-	400,000,000
General obligation refunding bonds issued	-	-	335,720,000	-	-	335,720,000
Premiums on general obligation refunding bonds	-	-	34,598,541	29,291,843	-	63,890,384
Payment to refunded bond escrow agent	-	-	(368,379,886)	-	-	(368,379,886)
TOTAL OTHER FINANCING SOURCES (USES)	(152,624,147)	147,518,457	57,613,297	373,617,201	5,105,690	431,230,498
NET CHANGE IN FUND BALANCES	61,205,917	-	51,710,704	27,229,460	14,995,186	155,141,267
FUND BALANCES, JULY 1	47,087,631	-	315,893,420	230,062,720	51,991,715	645,035,486
FUND BALANCES, JUNE 30	\$ 108,293,548	\$ -	\$ 367,604,124	\$ 257,292,180	\$ 66,986,901	\$ 800,176,753

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN  
FUND BALANCE OF THE GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2003

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**Net change in fund balances – governmental funds** **\$ 155,141,267**

*Amounts reported for governmental activities in the statement of activities are different because:*

Capital outlays to purchase or build capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities. 338,366,562

Property taxes that are collected in time to pay obligations of the current period are reported as revenue in the fund statements. However, amounts that relate to prior periods that first become available in the current period should not be reported as revenue in the statement of activities. (1,307,056)

The issuance of long-term debt (e.g. bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (299,015,282)

The net revenues of the District's Insurance and Risk Management Internal Service Fund and the Graphic Arts Production Internal Service Fund are not reported in this financial statement because they are presented on a different accounting basis (in the proprietary fund financial statements), but they are presented in the statement of activities. (866,755)

Generally expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when incurred. (3,312,991)

Gains and losses are not presented in this financial statement because they do not provide or use current financial resources, but they are presented in the statement of activities. (3,850,349)

**Change in net assets of governmental activities** **\$ 185,155,396**

The notes to the financial statements are an integral part of this statement.

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CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
<b>REVENUES:</b>					
Local sources:					
Local school support tax	\$ 492,842,273	\$ 521,426,516	\$ 577,496,915	\$ 28,584,243	\$ 56,070,399
Ad valorem taxes	335,076,269	339,448,269	337,526,569	4,372,000	(1,921,700)
Governmental services tax	41,989,689	43,249,380	46,938,375	1,259,691	3,688,995
Two percent franchise tax	2,245,559	2,245,559	2,869,264	-	623,705
E-rate reimbursements	-	3,177,500	3,869,272	3,177,500	691,772
School project contributions	1,958,250	3,000,000	3,443,327	1,041,750	443,327
Local government taxes	794,163	930,186	1,394,874	136,023	464,688
Tuition and summer school fees	1,926,752	1,845,429	1,788,847	(81,323)	(56,582)
Athletic proceeds	742,500	742,500	831,434	-	88,934
Other local sources	3,024,206	218,978	535,249	(2,805,228)	316,271
Investment income:					
Net inc/(dec) in the fair value of investments	1,770,397	200,000	(305,003)	(1,570,397)	(505,003)
Interest Income	-	2,370,397	1,348,112	2,370,397	(1,022,285)
Total local sources	882,370,058	918,854,714	977,737,235	36,484,656	58,882,521
State sources:					
State distributive fund	445,700,754	438,097,174	382,897,993	(7,603,580)	(55,199,181)
State special appropriations	-	2,000,000	7,047,995	2,000,000	5,047,995
Total state sources	445,700,754	440,097,174	389,945,988	(5,603,580)	(50,151,186)
Federal sources:					
Public Law 103 - 382	583,000	583,000	650,702		67,702
Forest reserve	10,500	10,500	13,594	-	3,094
Total federal sources	593,500	593,500	664,296	-	70,796
Other sources:					
Sales of district property	225,000	240,000	209,471	15,000	(30,529)
Proceeds from insurance	-	160,000	219,989	160,000	59,989
Total other sources	225,000	400,000	429,460	175,000	29,460
TOTAL REVENUES	1,328,889,312	1,359,945,388	1,368,776,979	31,056,076	8,831,591
<b>EXPENDITURES:</b>					
Current:					
REGULAR PROGRAMS:					
Instruction:					
Salaries	451,706,572	456,383,868	444,057,069	(4,677,296)	12,326,799
Benefits	142,407,372	150,296,354	146,046,123	(7,888,982)	4,250,231
Purchased services	14,638,515	12,819,121	12,021,979	1,819,394	797,142
Supplies	23,446,648	40,544,258	41,434,577	(17,097,610)	(890,319)
Property	2,964,509	3,284,866	13,817,550	(320,357)	(10,532,684)
Other	2,532,000	866,358	645,830	1,665,642	220,528
Total instruction	637,695,616	664,194,825	658,023,128	(26,499,209)	6,171,697
Support services:					
Student transportation:					
Purchased services	309,539	536,849	553,669	(227,310)	(16,820)

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
<u>EXPENDITURES - Continued:</u>					
Other support services:					
Salaries	\$ 23,847,607	\$ 24,112,016	\$ 23,602,615	\$ (264,409)	\$ 509,401
Benefits	7,528,786	7,605,266	7,557,022	(76,480)	48,244
Purchased services	116,307	268,233	264,771	(151,926)	3,462
Supplies	2,276,277	1,904,741	1,804,573	371,536	100,168
Property	-	61,958	21,958	(61,958)	40,000
Other	2,256	24,241	25,669	(21,985)	(1,428)
Total other support services	33,771,233	33,976,455	33,276,608	(205,222)	699,847
Total support services	34,080,772	34,513,304	33,830,277	(432,532)	683,027
TOTAL REGULAR PROGRAMS	671,776,388	695,056,533	691,853,405	(23,280,145)	3,203,128
SPECIAL PROGRAMS:					
Instruction:					
Salaries	11,359,370	10,683,933	9,937,072	675,437	746,861
Benefits	3,521,658	3,375,099	3,167,063	146,559	208,036
Purchased services	19,000	38,600	17,611	(19,600)	20,989
Supplies	122,761	432,761	275,219	(310,000)	157,542
Total instruction	15,022,789	14,530,393	13,396,965	492,396	1,133,428
Support services:					
Salaries	2,710,109	2,433,665	1,803,682	276,444	629,983
Benefits	659,803	661,069	579,492	(1,266)	81,577
Purchased services	124,244	152,244	74,144	(28,000)	78,100
Supplies	173,824	111,824	37,613	62,000	74,211
Property	100,000	70,000	48,677	30,000	21,323
Other	902	10,902	9,314	(10,000)	1,588
Total support services	3,768,882	3,439,704	2,552,922	329,178	886,782
TOTAL SPECIAL PROGRAMS	18,791,671	17,970,097	15,949,887	821,574	2,020,210
VOCATIONAL PROGRAMS:					
Instruction:					
Salaries	4,500,641	7,500,641	7,199,466	(3,000,000)	301,175
Benefits	1,271,682	2,582,812	2,450,241	(1,311,130)	132,571
Purchased services	1,565	31,188	29,367	(29,623)	1,821
Supplies	214,164	443,865	474,750	(229,701)	(30,885)
Property	39,752	140,999	170,791	(101,247)	(29,792)
Other	-	2,538	2,538	(2,538)	-
Total instruction	6,027,804	10,702,043	10,327,153	(4,674,239)	374,890
Support services:					
Student transportation:					
Purchased services	-	9,511	9,511	(9,511)	-
Other support services:					
Purchased services	2,000	3,565	3,555	(1,565)	10
Supplies	7,100	10,740	10,692	(3,640)	48
Total other support services	9,100	14,305	14,247	(5,205)	58
Total support services	9,100	23,816	23,758	(14,716)	58
TOTAL VOCATIONAL PROGRAMS	6,036,904	10,725,859	10,350,911	(4,688,955)	374,948

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
<u>EXPENDITURES - Continued:</u>					
OTHER INSTRUCTIONAL PROGRAMS:					
School co-curricular activities:					
Instruction:					
Salaries	\$ 1,025,691	\$ 1,021,990	\$ 821,542	\$ 3,701	\$ 200,448
Benefits	344,888	400,888	378,658	(56,000)	22,230
Purchased services	210,939	269,122	261,778	(58,183)	7,344
Supplies	541,497	599,724	246,431	(58,227)	353,293
Property	20,811	8,541	6,826	12,270	1,715
Other	31,540	36,540	41,604	(5,000)	(5,064)
Total instruction	2,175,366	2,336,805	1,756,839	(161,439)	579,966
Support services:					
Student transportation:					
Purchased services	189,570	182,300	172,978	7,270	9,322
Other support services:					
Salaries	295,144	358,768	355,681	(63,624)	3,087
Benefits	75,183	77,722	76,305	(2,539)	1,417
Purchased services	121,819	155,501	127,174	(33,682)	28,327
Supplies	207,757	156,507	90,288	51,250	66,219
Other	3,790	7,840	6,893	(4,050)	947
Total other support services	703,693	756,338	656,341	(52,645)	99,997
Total support services	893,263	938,638	829,319	(45,375)	109,319
Total school co-curricular activities	3,068,629	3,275,443	2,586,158	(206,814)	689,285
School athletics:					
Instruction:					
Salaries	-	78,400	75,708	(78,400)	2,692
Benefits	-	17,740	6,461	(17,740)	11,279
Purchased services	1,177,250	1,181,899	1,138,737	(4,649)	43,162
Supplies	1,315,804	1,940,952	1,680,228	(625,148)	260,724
Property	355,000	28,535	33,852	326,465	(5,317)
Other	89,308	122,090	124,456	(32,782)	(2,366)
Total instruction	2,937,362	3,369,616	3,059,442	(432,254)	310,174
Support services:					
Student transportation:					
Purchased services	1,284,487	1,625,336	1,602,897	(340,849)	22,439
Total school athletics	4,221,849	4,994,952	4,662,339	(773,103)	332,613
Summer school:					
Instruction:					
Salaries	1,192,673	1,157,673	819,329	35,000	338,344
Benefits	27,788	27,563	26,860	225	703
Purchased services	2,850	2,850	16,485	-	(13,635)
Supplies	10,000	23,696	328	(13,696)	23,368
Total instruction	1,233,311	1,211,782	863,002	21,529	348,780

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued:					
Support services:					
Salaries	\$ 97,096	\$ 97,096	\$ 48,484	\$ -	\$ 48,612
Benefits	2,263	2,263	1,390	-	873
Purchased services	19,515	6,059	18,115	13,456	(12,056)
Supplies	3,393	3,393	-	-	3,393
Total support services	122,267	108,811	67,989	13,456	40,822
Total summer school	1,355,578	1,320,593	930,991	34,985	389,602
TOTAL OTHER INSTRUCTIONAL PROGRAMS	8,646,056	9,590,988	8,179,488	(944,932)	1,411,500
UNDISTRIBUTED EXPENDITURES:					
Support services:					
Student support:					
Salaries	35,906,714	34,930,515	34,528,437	976,199	402,078
Benefits	11,685,713	11,572,074	11,458,711	113,639	113,363
Purchased services	106,952	164,522	160,240	(57,570)	4,282
Supplies	793,471	490,999	642,101	302,472	(151,102)
Property	-	119,190	287,490	(119,190)	(168,300)
Other	361	2,233	2,572	(1,872)	(339)
Total student support	48,493,211	47,279,533	47,079,551	1,213,678	199,982
Instructional staff support:					
Salaries	9,912,907	9,626,891	9,129,166	286,016	497,725
Benefits	2,726,987	2,647,239	2,500,430	79,748	146,809
Purchased services	3,906,367	3,445,234	2,790,586	461,133	654,648
Supplies	2,379,691	3,460,567	3,365,152	(1,080,876)	95,415
Property	21,232	587,117	1,085,448	(565,885)	(498,331)
Other	239,106	331,308	316,471	(92,202)	14,837
Total instructional staff support	19,186,290	20,098,356	19,187,253	(912,066)	911,103
General administration:					
Salaries	6,482,616	6,573,244	6,672,272	(90,628)	(99,028)
Benefits	1,959,405	1,957,585	1,834,023	1,820	123,562
Purchased services	8,998,345	7,940,839	7,077,027	1,057,506	863,812
Supplies	157,381	501,453	166,100	(344,072)	335,353
Property	1,100	43,237	91,577	(42,137)	(48,340)
Other	331,570	303,487	198,030	28,083	105,457
Total general administration	17,930,417	17,319,845	16,039,029	610,572	1,280,816
School administration:					
Salaries	98,628,180	99,114,146	93,119,905	(485,966)	5,994,241
Benefits	29,412,542	29,706,679	27,896,681	(294,137)	1,809,998
Purchased services	940,545	733,720	732,411	206,825	1,309
Supplies	180	180	20,286	-	(20,106)
Total school administration	128,981,447	129,554,725	121,769,283	(573,278)	7,785,442

(Continued)



CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
EXPENDITURES - Continued:					
Business support:					
Salaries	\$ 6,748,397	\$ 7,133,312	\$ 6,250,956	\$ (384,915)	\$ 882,356
Benefits	2,038,491	2,661,397	2,446,670	(622,906)	214,727
Purchased services	1,086,604	1,209,641	1,104,464	(123,037)	105,177
Supplies	111,114	957,282	1,563,225	(846,168)	(605,943)
Property	-	76,682	85,688	(76,682)	(9,006)
Other	16,613	12,663	11,569	3,950	1,094
Total business support	10,001,219	12,050,977	11,462,572	(2,049,758)	588,405
Operation and maintenance of plant services:					
Salaries	74,603,827	73,194,208	70,551,014	1,409,619	2,643,194
Benefits	24,271,694	24,056,219	21,300,428	215,475	2,755,791
Purchased services	25,535,716	26,421,219	20,000,203	(885,503)	6,421,016
Supplies	53,873,795	46,934,146	46,447,904	6,939,649	486,242
Property	117,750	3,663,304	2,567,239	(3,545,554)	1,096,065
Other	35,228	52,376	52,965	(17,148)	(589)
Total operation and maintenance of plant services	178,438,010	174,321,472	160,919,753	4,116,538	13,401,719
Student transportation:					
Salaries	24,990,109	23,844,710	21,147,649	1,145,399	2,697,061
Benefits	8,198,395	8,179,944	6,284,614	18,451	1,895,330
Purchased services	496,137	502,637	365,855	(6,500)	136,782
Supplies	3,401,659	3,160,153	2,478,242	241,506	681,911
Property	-	2,148,000	2,165,712	(2,148,000)	(17,712)
Other	24,109	85,609	62,314	(61,500)	23,295
Total student transportation	37,110,409	37,921,053	32,504,386	(810,644)	5,416,667
Central support:					
Salaries	10,616,230	9,939,578	9,509,708	676,652	429,870
Benefits	4,145,697	4,223,194	3,423,231	(77,497)	799,963
Purchased services	5,864,322	9,041,800	3,455,398	(3,177,478)	5,586,402
Supplies	502,607	4,550,427	417,743	(4,047,820)	4,132,684
Property	2,200,000	3,000,084	848,596	(800,084)	2,151,488
Other	182,233	4,938,634	226,397	(4,756,401)	4,712,237
Total central support	23,511,089	35,693,717	17,881,073	(12,182,628)	17,812,644
Facilities acquisition and construction services:					
Building improvements:					
Salaries	949,470	951,280	964,144	(1,810)	(12,864)
Benefits	272,936	274,585	267,679	(1,649)	6,906
Purchased services	503,200	496,870	472,479	6,330	24,391
Supplies	10,500	15,920	19,773	(5,420)	(3,853)
Property	-	20,910	33,773	(20,910)	(12,863)
Other	20,000	15,000	12,476	5,000	2,524
Total facilities acquisition and construction services	1,756,106	1,774,565	1,770,324	(18,459)	4,241
TOTAL UNDISTRIBUTED EXPENDITURES	465,408,198	476,014,243	428,613,224	(10,606,045)	47,401,019
TOTAL EXPENDITURES	1,170,659,217	1,209,357,720	1,154,946,915	(38,698,503)	54,410,805
EXCESS OF REVENUES OVER EXPENDITURES	158,230,095	150,587,668	213,830,064	(7,642,427)	63,242,396

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS		Actual	VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget		Original to Final Budget	Final Budget to Actual
OTHER FINANCING SOURCES (USES):					
Transfers in	\$ 2,500,000	\$ 2,000,000	\$ -	\$ (500,000)	\$ (2,000,000)
Transfers out	(161,961,843)	(156,365,823)	(152,624,147)	5,596,020	3,741,676
Execution of capital lease	-	20,000,000	-	20,000,000	(20,000,000)
TOTAL OTHER FINANCING SOURCES (USES)	(159,461,843)	(134,365,823)	(152,624,147)	25,096,020	(18,258,324)
NET CHANGE IN FUND BALANCE	(1,231,748)	12,570,249	61,205,917	13,801,997	48,635,668
FUND BALANCE, JULY 1	26,353,831	47,087,631	47,087,631	20,733,800	-
FUND BALANCE, JUNE 30	\$ 25,122,083	\$ 59,657,880	\$ 108,293,548	\$ 34,535,797	\$ 48,635,668

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
MAJOR SPECIAL REVENUE FUND - SPECIAL EDUCATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS			VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget	Actual	Original to Final Budget	Final Budget to Actual
REVENUES:					
Local sources:					
Other local sources	\$ -	\$ -	\$ 6,405	\$ -	\$ 6,405
State sources:					
State distributive fund	46,807,342	47,602,617	48,267,346	795,275	664,729
TOTAL REVENUES	46,807,342	47,602,617	48,273,751	795,275	671,134
EXPENDITURES:					
Current:					
SPECIAL PROGRAMS:					
Instruction:					
Salaries	121,959,579	115,502,065	112,476,060	6,457,514	3,026,005
Benefits	40,898,970	39,786,841	38,584,467	1,112,129	1,202,374
Purchased services	5,264	33,237	1,072,952	(27,973)	(1,039,715)
Supplies	1,811,860	1,870,781	2,265,684	(58,921)	(394,903)
Property	500	46,367	46,167	(45,867)	200
Other	2,000	3,345	2,085	(1,345)	1,260
Total instruction	164,678,173	157,242,636	154,447,415	7,435,537	2,795,221
Support services:					
Student transportation:					
Salaries	6,000	6,000	4,426	-	1,574
Benefits	140	140	37	-	103
Purchased services	492,910	497,508	483,592	(4,598)	13,916
Total student transportation	499,050	503,648	488,055	(4,598)	15,593
Other support services:					
Salaries	12,460,052	12,186,831	11,088,752	273,221	1,098,079
Benefits	3,827,388	3,758,829	3,388,850	68,559	369,979
Purchased services	659,342	657,230	604,403	2,112	52,827
Supplies	331,609	344,618	330,536	(13,009)	14,082
Property	2,102	36,119	36,033	(34,017)	86
Other	30,955	11,521	4,990	19,434	6,531
Total other support services	17,311,448	16,995,148	15,453,564	316,300	1,541,584
Total support services	17,810,498	17,498,796	15,941,619	311,702	1,557,177
TOTAL SPECIAL PROGRAMS	182,488,671	174,741,432	170,389,034	7,747,239	4,352,398
UNDISTRIBUTED EXPENDITURES:					
Support services:					
Student transportation:					
Salaries	18,387,200	18,704,250	17,944,224	(317,050)	760,026
Benefits	6,064,829	6,212,790	5,619,181	(147,961)	593,609
Purchased services	45,935	75,935	53,272	(30,000)	22,663
Supplies	1,404,600	1,384,600	1,786,497	20,000	(401,897)
TOTAL UNDISTRIBUTED EXPENDITURES	25,902,564	26,377,575	25,403,174	(475,011)	974,401
TOTAL EXPENDITURES	208,391,235	201,119,007	195,792,208	7,272,228	5,326,799
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(161,583,893)	(153,516,390)	(147,518,457)	8,067,503	5,997,933

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR SPECIAL REVENUE FUND - SPECIAL EDUCATION FUND  
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	BUDGETED AMOUNTS		Actual	VARIANCES POSITIVE / (NEGATIVE)	
	Original Budget	Final Budget		Original to Final Budget	Final Budget to Actual
OTHER FINANCING SOURCES:					
Transfers in	\$ 161,583,893	\$ 153,516,390	\$ 147,518,457	\$ (8,067,503)	\$ (5,997,933)
NET CHANGE IN FUND BALANCE	-	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ -	\$ -	\$ -

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF NET ASSETS  
PROPRIETARY FUNDS  
JUNE 30, 2004

<u>ASSETS</u>	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds	Total
Current assets:			
Pooled cash and investments	\$ 26,549,812	\$ 30,486,402	\$ 57,036,214
Accounts receivable	2,310,358	137,242	2,447,600
Inventories	5,128,237	252,055	5,380,292
Prepays	12,475	9,817	22,292
Noncurrent assets:			
Restricted pooled cash and investments:			
Certificate of deposit for self-insurance	-	5,666,000	5,666,000
Capital assets, net of accumulated depreciation	4,873,892	416,148	5,290,040
<b>TOTAL ASSETS</b>	<b>38,874,774</b>	<b>36,967,664</b>	<b>75,842,438</b>
<u>LIABILITIES</u>			
Current liabilities:			
Accounts payable	656,044	347,000	1,003,044
Accrued salaries and benefits	542,802	68,571	611,373
Liability insurance claims payable	-	13,740,103	13,740,103
Workers compensation claims payable	-	12,062,978	12,062,978
Compensated absences liability - current	192,233	82,449	274,682
Noncurrent liabilities:			
Compensated absences liability	317,734	30,066	347,800
<b>TOTAL LIABILITIES</b>	<b>1,708,813</b>	<b>26,331,167</b>	<b>28,039,980</b>
<u>NET ASSETS</u>			
Invested in capital assets, net of related debt	4,873,892	416,148	5,290,040
Restricted for certificate of deposit for self-insurance	-	5,666,000	5,666,000
Unrestricted	32,292,069	4,554,349	36,846,418
<b>TOTAL NET ASSETS</b>	<b>\$ 37,165,961</b>	<b>\$ 10,636,497</b>	<b>\$ 47,802,458</b>

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds	Total
<u>OPERATING REVENUES:</u>			
Charges for sales and services:			
Daily food sales	\$ 24,191,996	\$ -	\$ 24,191,996
Catering sales	1,073,869	-	1,073,869
Graphic production sales	-	3,394,128	3,394,128
Insurance premiums	-	12,984,343	12,984,343
Subrogation claims	-	101,870	101,870
TOTAL OPERATING REVENUES	25,265,865	16,480,341	41,746,206
<u>OPERATING EXPENSES:</u>			
Salaries	18,163,153	1,500,600	19,663,753
Benefits	6,007,065	455,705	6,462,770
Purchased services	1,917,755	5,573,314	7,491,069
Food and supplies	27,712,357	733,039	28,445,396
Property	638,359	3,683	642,042
Insurance claims	-	9,425,817	9,425,817
Depreciation	581,209	58,235	639,444
Other expenses	18,465	4,608	23,073
TOTAL OPERATING EXPENSES	55,038,363	17,755,001	72,793,364
OPERATING LOSS	(29,772,498)	(1,274,660)	(31,047,158)
<u>NON-OPERATING REVENUES (EXPENSES):</u>			
Federal subsidies	31,990,800	-	31,990,800
Commodity revenue	2,791,405	-	2,791,405
Loss on disposal of assets	(29,343)	(33,444)	(62,787)
Other revenue	4,837	-	4,837
Investment income:			
Net decrease in the fair value of investments	(41,350)	(52,799)	(94,149)
Interest income	300,906	462,815	763,721
TOTAL NON-OPERATING REVENUES (EXPENSES)	35,017,255	376,572	35,393,827
CHANGE IN NET ASSETS BEFORE TRANSFERS	5,244,757	(898,088)	4,346,669
Transfers in	321,363	31,333	352,696
CHANGE IN NET ASSETS	5,566,120	(866,755)	4,699,365
NET ASSETS, JULY 1	31,599,841	11,503,252	43,103,093
NET ASSETS, JUNE 30	\$ 37,165,961	\$ 10,636,497	\$ 47,802,458

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF CASH FLOWS - PROPRIETARY FUNDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

	Business-type Activities Food Service Enterprise Fund	Governmental Activities Internal Service Funds	Total
<b>Cash flows from operating activities:</b>			
Cash received from customers	\$ 24,147,590	\$ 16,378,504	\$ 40,526,094
Cash received from other operating sources	1,073,869	101,656	1,175,525
Cash paid for services and supplies	(27,512,674)	(6,333,444)	(33,846,118)
Cash paid for other operating uses	(18,465)	(6,105,248)	(6,123,713)
Cash paid to employees	(24,012,346)	(1,957,100)	(25,969,446)
Net cash provided by (used in) operating activities	(26,322,026)	2,084,368	(24,237,658)
<b>Cash flows from capital and related financing activities:</b>			
Purchase of equipment	(298,176)	(20,730)	(318,906)
<b>Cash flows from noncapital financing activities:</b>			
Federal reimbursements	31,367,955	-	31,367,955
Miscellaneous revenue	4,837	-	4,837
Net cash provided by noncapital financing activities	31,372,792	-	31,372,792
<b>Cash flows from investing activities:</b>			
Interest income	300,906	462,816	763,722
Net decrease in the fair value of investments	(41,350)	(52,799)	(94,149)
Sale of restricted investments	-	5,334,000	5,334,000
Purchase of restricted investments	-	(5,666,000)	(5,666,000)
Net cash provided by investing activities	259,556	78,017	337,573
Net increase in cash and cash equivalents	5,012,146	2,141,655	7,153,801
Cash and cash equivalents, July 1	21,537,666	28,344,747	49,882,413
Cash and cash equivalents, June 30	26,549,812	30,486,402	57,036,214
Restricted investments	-	5,666,000	5,666,000
Cash, cash equivalents, and restricted investments	\$ 26,549,812	\$ 36,152,402	\$ 62,702,214
<b>Reconciliation of operating loss to net cash provided by (used in) operating activities:</b>			
Operating loss	\$ (29,772,498)	\$ (1,274,660)	\$ (31,047,158)
Adjustments to reconcile operating loss to net cash provided by (used in) operating activities:			
Depreciation	581,209	58,235	639,444
Commodity inventory used	2,791,405	-	2,791,405
Change in assets and liabilities:			
(Increase)/decrease in accounts receivable	(44,403)	(88,149)	(132,552)
(Increase)/decrease in inventories	(277,570)	11,502	(266,068)
(Increase)/decrease in prepaids	(12,475)	2,747	(9,728)
Increase/(decrease) in accounts payable	254,452	38,999	293,451
Increase/(decrease) in workers compensation claims payable	-	683,267	683,267
Increase/(decrease) in liability insurance claims payable	-	2,628,260	2,628,260
Increase/(decrease) in liability for compensated absences	11,167	20,173	31,340
Increase/(decrease) in accrued salaries and benefits	146,687	3,994	150,681
Total adjustments	3,450,472	3,359,028	6,809,500
Net cash provided by (used in) operating activities	\$ (26,322,026)	\$ 2,084,368	\$ (24,237,658)
<b>Noncash capital activities:</b>			
Contribution of capital assets	\$ 321,363	\$ 31,333	\$ 352,696

The notes to the financial statements are an integral part of this statement.

CLARK COUNTY SCHOOL DISTRICT  
STATEMENT OF FIDUCIARY NET ASSETS - FIDUCIARY FUNDS  
JUNE 30,2004

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	STUDENT ACTIVITY <u>AGENCY FUND</u>
<u>ASSETS</u>	
Cash in bank	<u>\$ 14,116,610</u>
<u>LIABILITIES</u>	
Due to student groups	<u>\$ 14,116,610</u>

The notes to the financial statements are an integral part of this statement.

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# **CLARK COUNTY SCHOOL DISTRICT**

## **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **REPORTING ENTITY**

The accompanying financial statements include all of the activities that comprise the financial reporting entity of the Clark County School District ("District"). The District is governed by an elected, seven member, Board of School Trustees ("Board"). The Board is legally separate and fiscally independent from other governing bodies; therefore, the District is a primary government and is not reported as a component unit by any other governmental unit. The accounting policies of the District conform to generally accepted accounting principles as applicable to governmental entities. The Governmental Accounting Standards Board ("GASB") is the accepted standard-setting body for establishing governmental accounting and financial principles.

#### **Blended Component Unit**

The District is licensee for the local Public Broadcasting System affiliate, the KLVX Communications Group ("KLVX"). Because the Board is substantively the same as the governing body for KLVX, there is sufficient representation of the District's governing body over KLVX to allow for complete control of KLVX's activities. Therefore, the financial activities of KLVX are included in these statements as a blended component unit. Blended component units, although legally separate, are, in substance, part of the government's operations. Separately issued financial statements for KLVX can be obtained by contacting their financial department at the following address:

KLVX Communications Group  
4210 Channel 10 Drive  
Las Vegas, NV 89119

A summary of the District's significant accounting policies follows.

#### **BASIC FINANCIAL STATEMENTS**

The District's basic financial statements consist of the government-wide statements and the fund financial statements. The government-wide statements include a statement of net assets and a statement of activities, and the fund financial statements include financial information for the three fund types: governmental, proprietary and fiduciary. Reconciliations between the fund statements, the statement of net assets, and the statement of activities are also included along with statements of revenues, expenditures and changes in fund balances for the District's General Fund and its major special revenue fund, the Special Education Fund.

#### **Government-wide Financial Statements**

The government-wide financial statements are made up of the statement of net assets and the statement of activities. These statements include the aggregated financial information of the District as a whole, except for fiduciary activity. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support. For the most part, the effect of interfund activity has been removed from these statements.

The statement of net assets presents the consolidated financial position of the District at year-end, in separate columns, for both governmental and business-type activities.

The statement of activities demonstrates the degree to which the direct expenses of a given function or program are offset by program revenues. Direct expenses are those that are specifically associated with a program or service and are, therefore, clearly identifiable to a particular function. Program revenues include operating and capital grants and contributions and investment earnings legally restricted to support a specific program. Taxes and other revenues properly not included among program revenues are reported instead as general revenues. This statement provides a net cost or net revenue of specific programs and functions within the District. Those

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

functions with a net cost are generally dependent on general-purpose tax revenues, such as property tax, to remain operational.

#### **Fund Financial Statements**

The financial accounts of the District are organized on the basis of funds each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts comprised of assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate. Separate financial statements are provided for governmental funds, proprietary funds, and fiduciary funds, even though the latter are excluded from the government-wide financial statements.

The presentation emphasis in the fund financial statements is on major funds, for both governmental and enterprise funds. Major funds are determined based on minimum criteria set forth in GASB Statement Number 34. Major individual governmental funds and major individual enterprise funds are required to be reported in separate columns on the fund financial statements. However, currently the District has no major enterprise funds. The District may also display other funds as major funds if it believes the presentation will provide useful information to the users of the financial statements, which is the case with the District's Special Education Fund.

#### **MEASUREMENT FOCUS, BASIS OF ACCOUNTING, AND BASIS OF PRESENTATION**

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting, as are the proprietary funds. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Gross receipts and sales taxes are considered "measurable" when in the hands of intermediary collecting governments and are then recognized as revenue. The government considers property tax revenues to be "available" if they are collected within 60 days of the end of the current fiscal period. Anticipated refunds of taxes are recorded as liabilities and reductions of revenue when they are measurable and the payment seems certain. In general, expenditures are recorded when liabilities are incurred. The exception to this rule is that principal and interest on debt service, as well as liabilities related to compensated absences and claims and judgments, are recorded when payment is due.

In addition, the District's agency fund is reported in a similar fashion to the governmental fund statements using the current financial resources measurement focus and the modified accrual basis of accounting.

The major revenue sources of the District include state distributive fund revenues, local school support taxes, ad valorem taxes, real estate transfer taxes, room taxes, interest income, and the governmental services tax.

All of the District's major funds are governmental funds. The District reports the following major governmental funds:

**General Fund** - The General Fund is the general operating fund of the District. It is used to account for all resources and cost of operations traditionally associated with governments, which are not required to be accounted for in other funds.

**Special Education Fund** - The Special Education Fund accounts for transactions of the District relating to educational services provided to children with special needs as supported by state and local sources.

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Debt Service Fund** - The Debt Service Fund is used to account for the collection of revenues, payment of principal and interest, and the cost of operations associated with debt service for general obligation debt.

**Bond Fund** - The Bond Fund accounts for the costs of capital improvements and constructing major capital facilities paid for by bond proceeds, related interest earnings, and proceeds from real estate transfer taxes and room taxes.

Additionally the District reports the following fund types:

#### **Proprietary Funds**

**Enterprise Fund** – The enterprise fund is used to account for operations financed and operated in a manner similar to a private business enterprise - where the intent of the governing body is for the cost (expenses, including depreciation) of providing goods and services to the schools and other locations on a continuing basis to be financed or recovered primarily through charges or fees to customers. Currently, the District has one enterprise fund.

**Food Service Enterprise Fund** - The Food Service Enterprise Fund accounts for transactions relating to food services provided to schools and other locations. Support is provided by customer fees and federal subsidies.

**Internal Service Funds** - Internal service funds are used to account for the financing of goods or services provided by one department to other departments of the District on a cost reimbursement basis. Currently, there are two District Internal Service Funds.

**Insurance and Risk Management Fund** - The Insurance and Risk Management Fund accounts for transactions relating to insurance and risk management services provided to other District departments on a cost reimbursement basis.

**Graphic Arts Production Fund** - The Graphic Arts Production Fund accounts for transactions relating to printing services provided to other District departments on a cost reimbursement basis.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989, generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The District has elected not to follow this subsequent private-sector guidance.

Proprietary funds distinguish operating revenues and expenses from non-operating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the District's food service enterprise fund and of the District's internal service funds are charges to customers for sales and services. Operating expenses for enterprise funds and internal service funds include the cost of sales and services, administrative expenses, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

##### **Fiduciary Funds**

**Agency Fund** – Agency funds are used to report assets held in a trustee or agency capacity for others and therefore cannot be used to support the government's own programs. All assets reported in an agency fund are offset by a liability to the party on whose behalf they are held.

**Student Activity Agency Fund** – The District's Student Activity Agency Fund reports assets held in an agency capacity for student groups and organizations.

##### **BUDGETS AND BUDGETARY ACCOUNTING**

Nevada Statutes and District policies and regulations require that school districts legally adopt budgets for all funds except fiduciary funds. The budgets are filed as a matter of public record with the County Auditor, and the State Departments of Taxation and Education. The District staff uses the following procedures to establish, modify, and control the budgetary data reflected in the financial statements:

1. The statutes provide for the following timetable in adoption of budgets:
  - (a) Before April 15, the Superintendent of Schools submits to the Board of School Trustees a tentative budget for the upcoming fiscal year. The tentative budget includes proposed expenditures and the means to finance them.
  - (b) Before the third Wednesday in May, a minimum of seven days' notice of public hearing on the final budget is published in a local newspaper.
  - (c) Before June 8, the Board of School Trustees must adopt a final budget.
2. On or before January 1, the Board of School Trustees adopts an amended final budget reflecting any adjustments necessary as a result of the completed count of students.
3. NRS 354.615 provides that the Board of School Trustees may augment the budget at any time by a majority vote of the Board providing the Board publishes notice of its intention to act in a newspaper of general circulation in the county at least three days before the date set for adoption of the resolution.
4. Nevada Revised Statute 354.598 allows appropriations to be transferred within or among any functions or programs within a fund without an increase in total appropriations. If it becomes necessary during the course of the year to change any of the departmental budgets, transfers are initiated by department heads and approved by the appropriate administrator. Transfers within program or function classifications can be made with appropriate administrative approval. The Board of School Trustees is advised of transfers between funds, program, or function classifications and the transfers are recorded in the official Board minutes.
5. Budgeted appropriations may not be exceeded by actual expenditures of the various functions of the General Fund, Special Revenue and Capital Projects Funds. The sum of operating and non-operating expenses in the Enterprise and Internal Service Funds may not exceed total appropriations.
6. Generally, budgets for all funds are adopted in accordance with generally accepted accounting principles. Budgeted amounts reflected in the accompanying financial statements recognize amendments made during the year. Individual amendments were not material in relation to the original appropriation.

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

7. All appropriations lapse at the end of the fiscal year. Encumbrances are re-appropriated in the ensuing fiscal year.

#### **POOLED CASH AND INVESTMENTS**

Cash includes cash deposited in interest-bearing accounts at banks and cash in custody of fiscal agents. Investments consist of United States Treasury bills and notes, government agency securities, banker's acceptances, commercial paper, negotiable certificates of deposit, money market mutual funds, and collateralized repurchase agreements. Investments are reported at fair value on the balance sheet. Fair value is the amount at which a financial instrument could be exchanged in a current transaction between willing parties other than in a forced or liquidation sale. Changes in the fair value of District investments are part of investment income that is included in revenues from local sources. See **Note 3**.

#### **CASH AND CASH EQUIVALENTS**

The District's cash and cash equivalents are considered to be cash on hand, demand deposits, non-negotiable certificates of deposit and short-term investments with original maturities of three months or less from the date of acquisition.

#### **ACCOUNTS RECEIVABLE**

##### ***Property Taxes***

All property taxes collected within 60 days of year end are reported as accounts receivable as of June 30, 2004 as well as those taxes assessed but not yet received. The Clark County Treasurer, based on the assessed valuation at January 1<sup>st</sup> of each year, levies taxes on real property. A lien is placed on the property subject to the payment of taxes on July 1st of each year and the taxes are due on the third Monday in August. Taxes may be paid in quarterly installments on or before the third Monday in August, and the first Monday in October, January, and March. If not paid, the County Treasurer is authorized to hold the property for two years, subject to redemption upon payment of taxes, penalties, interest, and costs. If delinquent taxes are not paid within the redemption period, the County Treasurer obtains a property deed free of encumbrances. Upon receipt of a deed, the County Treasurer may sell the property to satisfy the tax lien. Article X, Section 2, of the Nevada Constitution limits the taxes levied by all units of Clark County to an amount not to exceed \$5 per \$100 of assessed valuation. The 1979 Nevada Legislature enacted provisions whereby starting July 1, 1979, the combined overlapping tax rate was limited to \$3.64 per \$100 of assessed value. The assessed value is annually adjusted.

#### **INVENTORIES**

Instructional materials and general supplies inventories (recorded in the General Fund) are valued at weighted average cost. Transportation supplies (recorded in the General Fund), food service inventories (recorded in the Enterprise Fund) and KLVX Communications Group inventories are valued using the first-in, first-out method. In all funds, the District follows the consumption method, thus, materials and supplies to be used in operations are reported as financial resources when acquired and recognized as expenditures when used. In the fund financial statements, the inventory amount is equally offset by a fund balance reservation indicating it is not an "available spendable resource".

#### **PREPAIDS**

Amounts listed as prepaid include fiscal year 2005 instructional materials and supplies received before June 30, 2004, and on hand at that date. These represent materials and supplies that will be recorded as expenditures in

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

fiscal year 2005. Prepaids are equally offset by a fund balance reservation indicating they are not "*available spendable resources*".

#### **CAPITAL ASSETS**

Capital assets, which include property, plant and equipment, are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$5,000 and an estimated useful life in excess of one year. If purchased or constructed, all capital assets are recorded at historical cost or estimated historical cost and updated for additions and retirements during the year. Donated capital assets are valued at their estimated fair value as of the date of donation. The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized.

Capital assets are being depreciated using the straight-line method over the following estimated useful lives:

<u>Capital Assets</u>	<u>Years</u>
Buildings	50
Building Improvements	20
Land Improvements	20
Vehicles	5
Heavy Trucks and Vans	7-10
Buses	10
Computer Hardware	7
Various Other Equipment	5-25

#### **ACCRUED SALARIES AND BENEFITS**

District salaries earned but not paid by June 30, 2004, have been accrued as liabilities and shown as expenditures for the current year.

#### **LONG-TERM OBLIGATIONS**

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets. Bond premiums and discounts, as well as issuance costs and deferred losses, are deferred and amortized over the life of the bonds using the straight-line method. Bonds payable are reported net of the applicable bond premium or discount and any deferred losses on refundings. Bond issuance costs are reported as deferred charges and amortized over the term of the related debt. Deferred losses related to refundings of debt are reported as a deferred charge component of bonds payable and are amortized over the term of the related debt.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

#### **COMPENSATED ABSENCES AND ACCUMULATED SICK LEAVE**

Teachers and certain hourly employees do not receive vacation leave. For other District employees, vacation leave is earned at rates dependent on length of employment and can be accumulated to a contractually specified maximum number of days. Vacation leave included in accrued salaries and benefits and recorded as

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

expenditures in governmental fund types is the amount normally liquidated from "available spendable resources".

Employees are allowed to accumulate unlimited sick leave for future use. The District pays limited accumulated sick leave to certain employees upon retirement. No material liability for accumulated sick leave exists, and thus, no liability is recorded in the accompanying financial statements.

In proprietary funds, compensated absences are recorded when the liabilities are incurred. In governmental funds, the current portion is recorded as payroll expenditure. The estimated long-term and current liability for compensated absences is accounted for in the government-wide financial statements.

#### **FUND BALANCES**

In the fund financial statements, reservations of fund balance represent amounts that are not subject to appropriation or are legally segregated for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

#### **NET ASSETS**

In the government-wide statements, Net Assets on the Statement of Net Assets includes the following:

##### **Invested in Capital Assets, net of Related Debt**

This is the component of net assets that reports the difference between capital assets less both the accumulated depreciation and the outstanding balance of debt, excluding unexpended proceeds, that is directly attributable to the acquisition, construction or improvement of those assets.

##### **Restricted Assets**

The component of net assets that reports the constraints placed on the use of assets by either external parties and / or enabling legislation. Currently, the District restricts assets related to its Debt Service Fund, assets related to its Capital Projects Funds, self-insurance deposits related to the District's worker's compensation program accounted for in the Insurance and Risk Management Fund and term endowments to KLVX.

##### **Unrestricted**

The component of net assets that is the difference between the assets and liabilities not reported in Invested in Capital Assets, Net of Related Debt and Restricted Assets.

It is the District's policy to expend restricted resources first and use unrestricted resources when the restricted resources have been depleted.

#### **EARLY RETIREMENT BENEFITS**

District Regulation 4370 provides a voluntary early retirement incentive program to all employees with an effective retirement date no later than December 31 of each year. If an employee retires with 15 to 29 years of service, has more than 110 days of unused sick leave, and receives pension benefits within 36 months from the last day of employment, the District will contribute toward certain benefits. These benefits are either of the following options:

1. A District contribution toward the purchase of retirement service credit in the Nevada Public Employees Retirement System, or

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

2. District payment of health insurance premiums until the value of the benefit is used. The amount of the early retirement benefit is expended annually from available resources.

As noted in the previous section on compensated absences and accumulated sick leave, the amount of the liability relating to these benefits is not material.

Former District employees, who are receiving a pension benefit, are entitled to purchase health insurance as part of the District group policy.

#### **COMPARATIVE TOTAL DATA AND RECLASSIFICATIONS**

Comparative total data for the prior year has been presented in the accompanying fund financial statements to provide an understanding of changes in the District's financial position and results of operations. Certain amounts in the June 30, 2003 total columns have been reclassified for comparability with the current year.

#### **USE OF ESTIMATES**

The preparation of financial statements in conformity with United States generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from these estimates.

#### **REVENUE LINE ITEM TITLES**

**Local sources** are monies generated from local school support (sales tax), ad valorem (property taxes), real estate transfer taxes, room tax, governmental services tax, franchise tax, investment income, and athletic proceeds.

**State sources** are revenues paid by the State of Nevada to the District.

**Federal sources** are grants received from the federal government mostly for specific educational programs.

**Other sources** are monies including proceeds from the sale of fixed assets and other miscellaneous income.

#### **EXPENDITURE LINE ITEM TITLES**

The statements of revenues, expenditures, and changes in fund balances characterize expenditure data by major program classifications pursuant to the provisions of the Handbook II (Revised) Accounting System established by the Nevada Department of Education. Programs are further segregated by functional services provided within each program. Below is a brief description of these program and function classifications.

##### **Programs:**

**Regular programs** are activities designed to provide elementary and secondary students with learning experiences to prepare them as citizens, family members, and non-vocational workers.

**Special programs** are activities designed primarily to serve students having special needs. Special programs include services for the gifted and talented, mentally challenged, physically handicapped, emotionally disturbed, culturally different, learning disabled, bilingual, and special programs for other types of students at all levels.

**Vocational programs** are learning experiences that will provide individuals with the opportunity to develop the necessary knowledge, skills, and attitudes needed for occupational employment.



## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)**

**Other instructional programs** are activities that provide elementary and secondary students with learning experiences in school-sponsored activities, athletics, and summer school.

**Adult education programs** are learning experiences designed to develop knowledge and skills to meet intermediate and long-range educational objectives for adults, who having completed or interrupted formal schooling, have accepted adult roles and responsibilities.

**Vocational support programs** are activities associated with the supervision and administration of vocational education programs.

**Undistributed expenditures** are charges not readily assignable to a specific program. Student and instructional staff support and overall general and administrative costs are classified as undistributed expenditures. Also included are costs of operating, maintaining, and constructing the physical facilities of the District.

#### **Functions:**

**Instruction** includes all activities dealing directly with the interaction between teachers and students, including the activities of aides or classroom assistants which assist in the instructional process.

**Student support** includes activities designed to assess and improve the well-being of students and to supplement the teaching process.

**Instructional staff support** includes activities associated with assisting the instructional staff with the content and process of providing learning experiences for students.

**Educational media services** are activities concerned with the use of all teaching and learning resources, including hardware and content materials. The activities of KLVX Channel 10 are included here.

**General administration** includes activities concerned with establishing and administering policy in connection with operating the District.

**School administration** includes activities concerned with overall administrative responsibility for a school. This includes principals, assistants and clerical staff involved in the supervision of operations at a school.

**Business support** includes activities concerned with paying, transporting, exchanging and maintaining goods and services for the District. Included are the fiscal and internal services necessary for operating the District.

**Operation and maintenance of plant services** includes activities concerned with keeping the physical schools and associated administrative buildings open, comfortable, and safe for use. This also includes keeping the grounds, buildings and equipment in effective working condition and state of repair. Additional activities include maintaining safety in buildings, on the grounds, and in the vicinity of schools.

**Student transportation** includes activities concerned with the conveyance of students to and from school, as provided by state and federal law. It includes trips between home and school as well as trips to school activities.

**Central support** includes activities other than general administration, which support each of the other instructional and supporting services programs. These activities include planning, research, development, evaluation, information, staff, and data processing services.

**Other support services** are all other support services that are not otherwise properly classified elsewhere in the support service functions.

## CLARK COUNTY SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

#### NOTE 1 - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (continued)

**Facilities acquisition and construction services** are all activities concerned with the acquisition of land and buildings; the construction of buildings and additions to buildings; initial installation or extension of service systems and other built-in equipment and improvements to sites.

**Food service** includes activities concerned with providing food to students and staff within the District. This includes the preparation and serving of regular and incidental meals, lunches, or snacks.

#### NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

##### 1. Explanation of certain differences between the governmental funds balance sheet and the government-wide statement of net assets

The governmental funds balance sheet includes a reconciliation between fund balances – total governmental funds and net assets – governmental activities as reported in the government-wide statement of net assets. One element of that reconciliation explains that “Certain liabilities are not reported in the governmental funds financial statement because they are not due and payable, but they are presented as liabilities in the statement of net assets.” The details of this \$2,974,454,628 difference are as follows:

Bonds payable	\$ 2,877,900,001
Less: Bond discounts (net of amortization)	(6,433,457)
Less: Deferred charges on issuance costs (net of amortization)	(9,447,621)
Less: Deferred losses on refundings (net of amortization)	(62,534,418)
Bond premiums	129,038,214
Interest payable	10,977,394
Compensated absences	<u>34,954,515</u>
Net adjustment to reduce fund balance - total governmental funds to arrive at net assets - governmental activities	<u><u>\$ 2,974,454,628</u></u>

##### 2. Explanation of certain differences between the governmental funds statement of revenues, expenditures, and changes in fund balances and the government-wide statement of activities

The governmental funds statement of revenues, expenditures, and changes in fund balances includes a reconciliation between net changes in fund balances – total governmental funds and changes in net assets of governmental activities as reported in the government-wide statement of activities. One element of that reconciliation explains that “Capital outlays to purchase or build capital assets are reported in the governmental funds as expenditures. However, for governmental activities those costs are shown in the statement of net assets and allocated over their estimated useful lives as annual depreciation expenses in the statement of activities.” The details of this \$338,366,562 difference are as follows:

Capital outlay	\$ 455,597,825
Depreciation expense	<u>(117,231,263)</u>
Net adjustment to increase net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u><u>\$ 338,366,562</u></u>

Another element of that reconciliation states that “The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 2 - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (continued)**

on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas these amounts are deferred and amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items." The details of this \$299,015,282 difference are as follows:

Debt issued or incurred:	
Issuance of general obligation debt	\$ (735,720,000)
Plus: Bond premiums	(63,890,385)
Less: Bond issuance costs	4,187,871
General obligation debt principal payments	125,080,000
Payment to escrow agent for refunding	<u>371,327,232</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u>\$ (299,015,282)</u>

Another element of that reconciliation states that "Generally expenditures recognized in the fund financial statements are limited to only those that use current financial resources, but expenses are recognized in the statement of activities when incurred." The details of this \$3,312,991 difference are as follows:

Change in accrued interest	\$ (612,930)
Amortization of deferred charge on refunding	(3,408,188)
Amortization of issuance costs	(528,468)
Amortization of bond discounts	(2,807,723)
Amortization of bond premiums	7,377,218
Change in compensated absences	<u>(3,332,900)</u>
Net adjustment to decrease net changes in fund balances - total governmental funds to arrive at changes in net assets of governmental activities.	<u>\$ (3,312,991)</u>

#### **NOTE 3 - POOLED CASH AND INVESTMENTS**

The District maintains a cash and investment pool that is available for use by all funds. At June 30, 2004, this pool is displayed in the statement of net assets and major and other governmental funds on the governmental funds balance sheet as "Pooled Cash and Investments." The District accounts for its debt issuance proceeds portfolio separately in the capital projects funds to aid in compliance with bond covenants and federal arbitrage regulations. See **Note 8**.

Nevada statutes authorize the District to invest in:

1. Obligations of the U.S. Treasury and U.S. agencies in which the maturity dates do not extend more than 10 years from the date of purchase.
2. Negotiable certificates of deposit issued by commercial banks or insured savings and loan associations (those over \$100,000 must be fully collateralized).

## CLARK COUNTY SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

#### NOTE 3 - POOLED CASH AND INVESTMENTS (continued)

3. Negotiable notes or short-term negotiable bonds issued by local governments within Nevada.
4. Eligible bankers' acceptances that do not exceed 180 days maturity and do not exceed 20 percent of the investment portfolio.
5. Commercial paper with a rating of A-1 or P-1 that does not exceed 270 days maturity and does not exceed 20 percent of the portfolio.
6. The State of Nevada's Local Government Investment Pool.
7. Repurchase agreements that are collateralized at 102 percent of the repurchase price and do not exceed 90 days maturity. Securities used for collateral must meet the criteria listed above.
8. Money Market Mutual Funds, which are rated as "AAA" or its equivalent and invest only in securities issued by the Federal Government, U.S. Agencies, or repurchase agreements fully collateralized by such securities.
9. Investment contracts for bond proceeds only, issuances for \$40,000,000 or more, and collateralized at a market value of at least 102 percent by obligations of the U.S. Treasury or agencies of the Federal Government.

In addition to the Nevada Revised Statutes, the District has established investment policies and related regulations. However, in the current year, the District is not in full compliance with its policies. In 2003-04, KLVX received a \$650,000 term endowment which is held in an investment pool with the Nevada Community Foundation. The principal is currently restricted from use with KLVX receiving unrestricted regular interest payments. This foundation holds a portion its investments in equities, a violation of District investment policy; however, per the endowment, the District is unable to alter the pooled investment mix. See **Note 17**.

#### Deposits:

District cash balances are categorized as (1) insured or collateralized by securities held by the District or by its agent in the name of the District, (2) collateralized with securities held by the pledging institution's trust department in the name of the District, or (3) uncollateralized or collateralized with securities held by the pledging institution, but not in the name of the District. District cash balances are deposited in several bank accounts except for some monies transferred to a fiscal paying agent for payment of matured bonds and interest due. District bank accounts and Student Activity Funds are generally insured by the Federal Deposit Insurance Corporation (FDIC) and/or collateralized by securities held by a third party trustee in behalf of the District. Student Activity Funds deposited in credit union accounts are insured by the National Credit Union Association (NCUA).

	Carrying Amount	Bank Balances	Category		
			1	2	3
Pooled Cash	\$ (3,768,124)	\$ 1,090,837	\$ 1,090,837	\$ -	\$ -
Non-negotiable Certificate of Deposit	5,666,000	5,666,000	5,666,000	-	-
Student Activity Agency Fund	14,116,610	15,192,809	15,192,809	-	-

Except for financial reporting purposes, the cash balances in the Student Activity Agency Fund are not normally considered part of the District's pooled cash and investments. These amounts represent cash held in an agency capacity by the District for student groups and organizations and cannot be used in the District's normal operations. The balances listed above for this fund are a consolidation of individual bank account balances held at schools across the District as of June 30, 2004.

# CLARK COUNTY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

### NOTE 3 - POOLED CASH AND INVESTMENTS (continued)

#### Investments:

District investments are categorized by level of risk as either (1) insured or registered and held by the District or its agent in the name of the District, (2) uninsured and unregistered investments held by the financial institution's trust department or agent in the name of the District, or (3) uninsured and unregistered investments held by the financial institution or its trust department or agent but not in the name of the District. District investments at June 30, 2004 are listed below. All investments except money market mutual funds are insured or registered and held by the agent of the District in the name of the District, and hence are included in category 1. Repurchase agreements held by the District are open-ended and have no specified maturity date. The amount and interest rate of the agreement may change daily and either party may terminate the transaction at any time. Shares of money market mutual funds are not categorized because they are not evidenced by securities that exist in physical or book entry form. The District's investments are reported at fair value and accrued interest receivable is shown separately.

<u>General Pooled Investments:</u>	<u>Original Cost</u>	<u>Fair Value</u>	<u>Interest Receivable</u>	<u>Total Value</u>
U.S. Treasury Notes	\$ 48,313,486	\$ 48,401,719	\$ 262,007	\$ 48,663,726
Instrumentalities of the Federal Government	575,577,060	573,759,166	1,383,443	575,142,609
Commercial Paper	34,913,586	34,913,586	-	34,913,586
Money Market Mutual Fund	51,600,000	51,600,000	27,671	51,627,671
Subtotal General Pooled Investments	710,404,132	708,674,471	1,673,121	710,347,592
<u>KLIX - Endowment :</u>				
Mutual Fund	650,000	657,682	-	657,682
<u>Bond Proceed Investments:</u>				
Instrumentalities of the Federal Government	177,062,770	176,298,050	1,679,944	177,977,994
Money Market Mutual Fund	34,579,771	34,579,771	38,581	34,618,352
Subtotal Bond Proceed Investments	211,642,541	210,877,821	1,718,525	212,596,346
<u>State of Nevada - NVEST Program:</u>				
U.S. Treasury Notes	7,784,254	7,716,068	32,727	7,748,795
Instrumentalities of the Federal Government	7,891,916	7,812,867	117,765	7,930,632
Collateralized Mortgage Obligations	3,970,964	3,909,675	14,098	3,923,773
Federal Home Loan Mortgage Pool	253,279	248,640	921	249,561
Federal National Mortgage Assn Pool	469,985	468,922	2,090	471,012
Asset-backed Securities	4,908,438	4,856,976	8,900	4,865,876
Money Market Mutual Fund	479,779	479,779	394	480,173
Subtotal NVEST Program	25,758,615	25,492,927	176,895	25,669,822
Total Securities Held	\$ 948,455,288	\$ 945,702,901	\$ 3,568,541	\$ 949,271,442

#### Combined Pooled Cash and Investments:

Pooled Cash	\$ (3,768,124)
Non-negotiable Certificate of Deposit	5,666,000
Student Activity Agency Fund	14,116,610
Pooled Investments	945,702,901
Total Pooled Cash and Investments	\$ 961,717,387

## CLARK COUNTY SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

#### NOTE 4 - INTERFUND BALANCES AND TRANSFERS

##### Interfund Transfers:

In the fund financial statements, interfund transfers are shown as other financing sources or uses. Transfers between funds during the year ended June 30, 2004 are as follows:

Transfers Out:	Transfers In:			Totals
	Special Education Fund	Debt Service	Nonmajor Governmental Funds	
General Fund	\$ 147,518,457	\$ -	\$ 5,105,690	\$ 152,624,147
Bond Fund	-	55,674,642	-	55,674,642
Total Transfers Out	<u>\$ 147,518,457</u>	<u>\$ 55,674,642</u>	<u>\$ 5,105,690</u>	<u>\$ 208,298,789</u>
Transfer in of Capital Assets				352,696
Total Transfers In				<u>\$ 208,651,485</u>

Following are explanations of certain interfund transfers of significance to the District:

In the fund financial statements, total transfers in of \$208,651,485 are greater than total transfers of \$208,298,789 because of the treatment of transfers of capital assets to the Internal Service Funds, and to the Food Service Enterprise Fund. During the year, existing capital assets related to governmental funds, with a book value of \$321,363, \$16,338 and \$14,995 were transferred to the Food Service Fund, the Graphic Arts Production Fund and Insurance and Risk Management Fund respectively. No amounts were reported for this transaction in the governmental funds as the amount did not involve the transfer of financial resources. However, all funds did report a transfer in for the capital resources received.

\$147,518,457 was transferred from the General Fund to the Special Education Fund for costs related to programs for special students. Beginning in 1994, Senate Bill 569 has required separate accounting for revenues and expenditures associated with special education. The majority of the revenues are collected in the General Fund and transferred to the Special Education Fund to offset special education expenditures.

The Bond Fund transferred a total of \$55,674,642 during fiscal year 2004 to the Debt Service Fund to service the current principal and interest on the District's revenue bonds. Pledged revenues for these bonds, which include a portion of the real estate transfer tax and room tax collected within the county are deposited within the Bond Fund and transferred on a monthly basis to the Debt Service Fund. **See Note 8.**

\$1,961,434 was transferred from the General Fund to the District Projects Fund included within the Nonmajor Governmental Funds to cover expenditure overruns related to the Class Size Reduction Program.

\$644,256 was transferred from the General Fund to the District Projects Fund included within the Nonmajor Governmental Funds to provide for school refunds related to facilities usage rentals and energy management rebates.

\$2,500,000 was transferred from the General Fund to the Governmental Services Tax Fund within the Nonmajor Governmental Funds to cover additional portables needed due to the new extended-day kindergarten program.

# CLARK COUNTY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

### NOTE 5 - CAPITAL ASSETS

A summary of changes in capital assets for the year ended June 30, 2004 follows:

#### Governmental Activities:

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
Capital assets, not being depreciated:				
Land	\$ 163,545,273	\$ 7,944,507	\$ -	\$ 171,489,780
Construction in progress	319,655,947	412,058,508	(529,595,500)	202,118,955
Total capital assets, not being depreciated	483,201,220	420,003,015	(529,595,500)	373,608,735
Capital assets, being depreciated:				
Buildings	1,734,937,339	320,706,785	-	2,055,644,124
Building improvements	590,588,619	112,039,118	(3,444,526)	699,183,211
Land improvements	544,429,834	103,436,155	(1,481,799)	646,384,190
Equipment	162,111,226	29,020,134	(4,715,568)	186,415,792
Total capital assets being depreciated	3,032,067,018	565,202,192	(9,641,893)	3,587,627,317
Less accumulated depreciation for:				
Buildings	(320,145,660)	(40,483,729)	-	(360,629,389)
Buildings improvements	(170,098,379)	(30,736,624)	1,009,788	(199,825,215)
Land improvements	(141,270,185)	(29,003,016)	321,101	(169,952,100)
Equipment	(73,819,378)	(17,059,399)	4,460,649	(86,418,128)
Total accumulated depreciation	(705,333,602)	(117,282,768)	5,791,538	(816,824,832)
Total capital assets being depreciated, net	2,326,733,416	447,919,424	(3,850,355)	2,770,802,485
Governmental activities capital assets, net	<u>\$ 2,809,934,636</u>	<u>\$ 867,922,439</u>	<u>\$ (533,445,855)</u>	<u>\$ 3,144,411,220</u>

#### Business-type activities:

	Balance June 30, 2003	Additions	Deletions	Balance June 30, 2004
Capital assets, being depreciated:				
Buildings	\$ 86,841	\$ -	\$ -	\$ 86,841
Building improvements	3,196,177	-	-	3,196,177
Equipment	5,292,190	626,014	(54,707)	5,863,497
Total capital assets being depreciated	8,575,208	626,014	(54,707)	9,146,515
Less accumulated depreciation for:				
Buildings	(33,000)	(1,737)	-	(34,737)
Buildings improvements	(1,076,756)	(159,809)	-	(1,236,565)
Equipment	(2,600,545)	(419,663)	18,887	(3,001,321)
Total accumulated depreciation	(3,710,301)	(581,209)	18,887	(4,272,623)
Business-type activities capital assets, net	<u>\$ 4,864,907</u>	<u>\$ 44,805</u>	<u>\$ (35,820)</u>	<u>\$ 4,873,892</u>

# CLARK COUNTY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

### NOTE 5 - CAPITAL ASSETS (continued)

Depreciation expense was charged to functions / programs of the primary government as follows:

#### Governmental Activities:

##### Instruction:

Regular Instruction	\$ 101,869,513
Special Instruction	267,618
Vocational Instruction	84,776
Adult Instruction	20,319
Other Instruction	10,703

##### Support Services:

Student Support	37,080
Instructional Staff Support	454,296
Educational Media Services	493,194
General Administration	562,502
Business Support	226,161
Operation and Maintenance of Plant Services	2,498,752
Student Transportation	8,248,923
Central Support	721,736
Facilities Acquisition and Construction Services	1,787,195

\$ 117,282,768

### NOTE 6 - ACCOUNTS RECEIVABLE

Receivables as of June 30, 2004 for the government's individual major funds and nonmajor funds in the aggregate are as follows:

	<u>General Fund</u>	<u>Special Education Fund</u>	<u>Debt Service Fund</u>	<u>Bond Fund</u>	<u>Nonmajor and Other Funds</u>	<u>Total</u>
<u>Local Sources:</u>						
Property and Transfer Taxes	\$ 8,879,581	\$ -	\$ 6,616,473	\$ 9,614,000	\$ -	\$ 25,110,054
Room Taxes	-	-	-	10,026,867	-	10,026,867
Governmental Services Tax	4,392,080	-	-	-	2,056,409	6,448,489
Local School Support Tax	105,590,671	-	-	-	-	105,590,671
Other Local Sources	1,082,100	-	-	1,291,870	-	2,373,970
<u>State Sources:</u>						
Distributive School Account	21,080,195	-	-	-	-	21,080,195
Class Size Reduction	-	-	-	-	6,722,802	6,722,802
Regional Prof. Development	-	-	-	-	1,798,727	1,798,727
<u>State Special Appropriations:</u>						
Retiree Health Insurance	1,914,484	-	-	-	-	1,914,484
Employee Health Insurance	3,010,030	-	-	-	-	3,010,030
1/5th PERS Service Credit	2,123,480	-	-	-	-	2,123,480
<u>Federal Sources:</u>						
Grants and Allotments	-	-	-	-	16,568,673	16,568,673
Medicaid	-	-	-	-	1,800,585	1,800,585
Medicaid - Adm. Claiming	-	-	-	-	2,938,624	2,938,624
<u>Other Sources:</u>						
Edison - Philanthropic	-	-	-	-	750,000	750,000
E-rate Reimbursement	1,395,435	-	-	-	-	1,395,435
Miscellaneous	419,056	30,499	-	-	385,121	834,676
Total Receivables	<u>\$ 149,887,112</u>	<u>\$ 30,499</u>	<u>\$ 6,616,473</u>	<u>\$ 20,932,737</u>	<u>\$ 33,020,941</u>	<u>\$ 210,487,762</u>



## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 7 - DEFERRED REVENUES**

Governmental funds report deferred revenue in connection with receivables for revenues that are not considered to be available to liquidate liabilities of the current period and also in connection with resources that have been received but not yet earned. A summary of deferred revenues for the individual major governmental funds and nonmajor governmental funds in the aggregate at June 30, 2004 follows:

	<b>General Fund</b>	<b>Debt Service Fund</b>	<b>Nonmajor and Other Funds</b>	<b>Total</b>
Property Taxes	\$ 4,694,889	\$ 3,486,317	\$ -	\$ 8,181,206
Summer School	1,094,220	-	-	1,094,220
Federal Programs	-	-	4,101,540	4,101,540
Mining Taxes	33,342	24,603	-	57,945
KLVX - State Grant	-	-	200,000	200,000
Medicaid	-	-	1,800,585	1,800,585
Miscellaneous	41,584	-	83,578	125,162
Total	<u>\$ 5,864,035</u>	<u>\$ 3,510,920</u>	<u>\$ 6,185,703</u>	<u>\$ 15,560,658</u>

In the General Fund deferred revenue related to property taxes consists of property taxes receivable at year-end but not collected within sixty days after year-end. Summer school deferred revenue represents monies collected for summer school tuition in advance of the fiscal year 2005 summer school program.

In the Debt Service Fund deferred revenue again relates to property taxes receivable at year-end but not collected within sixty days after year-end.

Nonmajor and other funds deferred revenue consists primarily of grant revenues in the Federal Programs Fund received in advance of expenditures. In addition, the Medicaid Fund is reporting deferred revenue for service expenditure reimbursements billed for but not yet received.

#### **NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE**

##### **General Obligation Bonds:**

The District issues general obligation bonds to provide proceeds for the District's construction and modernization program and for other major capital acquisitions. These bonds are direct obligations and pledge the full faith and credit of the District. Bonds are often sold at a premium or a discount. These premiums and discounts, along with the respective issue costs are reported in the fund statements in the year incurred but are deferred and amortized over the life of the debt in the government-wide financial statements. Similarly, any gain or loss derived from an advance refunding is amortized in the government-wide financial statements. The Debt Service Fund services all of the bonds payable. The remaining principal and interest payment requirements for the general obligation debt as of June 30, 2004 are as follows (see following page):

# CLARK COUNTY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

### NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)

#### General Obligation Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2004	Principal Due Within One Year	Interest Due Within One Year
1991 A&B	School Improvement	03/01/91	06/01/11	5.10% - 7.00%	\$ 277,581,382	\$ 54,100,000	\$ -	\$ 3,787,000
1991	Refunding	12/01/91	03/01/08	5.00% - 6.75%	79,158,215	13,074,191	6,848,691	9,791,309
1995 A	School Improvement	05/01/95	06/15/16	5.00% - 7.25%	195,000,000	8,775,000	8,775,000	614,250
1996	Refunding	03/01/96	06/15/15	4.25% - 5.00%	61,600,000	44,590,000	365,000	2,182,300
1996	School Improvement	05/01/96	06/15/16	3.90% - 6.00%	335,000,000	32,220,000	15,710,000	1,974,475
1996 B	Building & Renovation	12/01/96	06/15/16	5.50% - 6.50%	35,000,000	5,650,000	1,775,000	367,250
1997 B	Building & Renovation	04/01/97	06/15/17	5.25% - 7.50%	287,000,000	42,240,000	13,400,000	2,745,600
1998	Refunding	09/01/98	06/15/15	4.00% - 5.50%	169,310,000	168,475,000	230,000	9,224,136
1999	Refunding	04/01/99	06/15/11	4.00% - 5.25%	93,025,000	93,025,000	3,020,000	4,785,330
1999	Building	04/01/99	06/15/19	4.00% - 5.25%	215,000,000	80,845,000	1,500,000	3,858,388
1999 A	Building	07/01/99	06/15/09	5.00% - 5.50%	87,700,000	57,360,000	10,725,000	3,030,550
2000 B	Refunding	12/01/00	06/30/08	4.50% - 5.50%	52,670,000	52,670,000	100,000	2,895,850
2001 C	Refunding	09/01/01	06/30/16	3.45% - 5.50%	91,195,000	91,195,000	-	4,868,806
2001 E	Vehicles	12/15/01	06/15/06	4.00%	6,400,000	2,700,000	1,325,000	108,000
2002 C	Building	06/05/02	12/15/17	5.00% - 5.50%	475,000,000	475,000,000	18,330,000	24,579,881
2002 A	Refunding	07/01/02	06/15/16	5.00% - 5.50%	160,630,000	160,630,000	-	8,622,412
2003 A	Refunding	03/01/03	06/01/10	3.00% - 5.00%	178,915,000	154,085,000	25,840,000	7,293,150
2003 D	Building	10/07/03	06/15/23	5.00% - 5.50%	400,000,000	400,000,000	-	20,431,612
2004 A	Refunding	03/01/04	06/15/17	2.00% - 5.00%	210,975,000	210,975,000	-	12,603,529
						<u>\$ 2,147,609,191</u>	<u>\$ 107,943,691</u>	<u>\$ 123,763,828</u>

#### General Obligation Revenue Bonds:

The District also issues general obligation debt that is additionally secured by a pledge of proceeds of taxes deposited in the District's Bond Fund. Pursuant to applicable Nevada laws the District receives the proceeds of a 1 5/8% room tax collected within Clark County in the Bond Fund. The proceeds of a tax equivalent to 60 cents for each \$500 of value on transferred real property are also deposited by the county. The District pledges the room tax and the real property transfer tax revenues to pay debt service on certain general obligation debt. The remaining principal and interest payment requirements for the general obligation debt additionally secured by these pledged revenues as of June 30, 2004 are as follows:

#### General Obligation Revenue Bonds Schedule:

Series	Purpose	Date Issued	Date of Final Maturity	Interest	Original Issue	Balance June 30, 2004	Principal Due Within One Year	Interest Due Within One Year
1999 B	Building	07/01/99	06/15/19	5.00% - 5.50%	\$ 100,000,000	\$ 22,650,000	\$ 4,125,000	\$ 1,192,162
2000 A	Building	03/01/00	06/15/14	5.00% - 6.00%	150,000,000	36,210,000	5,280,000	1,915,438
2001 A	Building	03/27/01	06/30/21	Variable Rate	100,000,000	90,240,000	3,570,000	956,544
2001 B	Building	03/27/01	06/30/21	Variable Rate	100,000,000	90,240,000	3,570,000	902,400
2001 D	Refunding	09/01/01	06/15/17	4.00% - 5.625%	39,915,000	39,915,000	-	2,144,744
2001 F	Building	10/01/01	06/30/22	5.00% - 5.50%	325,000,000	302,490,000	11,750,000	15,978,688
2004 B	Refunding	03/01/04	06/15/20	2.00% - 5.00%	124,745,000	124,745,000	-	7,731,948
						<u>\$ 706,490,000</u>	<u>\$ 28,295,000</u>	<u>\$ 30,821,924</u>

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)**

In March of 2001, the District issued \$100,000,000 of series 2001A general obligation building bonds and \$100,000,000 of series 2001B general obligation building bonds, both of which bear interest at a variable rate. Pursuant to the bond resolution, these bonds have their interest rate determined on a daily basis. This daily rate is determined by the opinion of the respective remarketing agent, under then existing market conditions, that would result in the sale of the bonds at a price equal to the principal amount, thereof, plus interest, if any, accrued through the current date.

The interest requirements for variable-rate debt are computed using the rate effective at year-end. As of June 30, 2004, the rates used to determine interest requirements for the 2001A and 2001B series were 1.06% and 1.00%, respectively.

General obligation bonds payable is reported net of premiums and discounts on the statement of net assets.

#### **Summary of Debt Service:**

Following are the annual requirements to amortize all general obligation bonds outstanding at year-end:

<u>Fiscal Year</u>	<u>Principal</u>	<u>Interest</u>	<u>Total Requirements</u>
2005	\$ 136,238,691	\$ 154,585,752	\$ 290,824,443
2006	167,000,000	133,527,217	300,527,217
2007	174,790,000	125,162,164	299,952,164
2008	183,395,000	116,207,548	299,602,548
2009	178,770,500	121,058,795	299,829,295
2010 - 14	874,045,000	404,595,543	1,278,640,543
2015 - 19	798,985,000	185,694,454	984,679,454
2020 - 23	340,875,000	34,790,646	375,665,646
Totals	<u>\$2,854,099,191</u>	<u>\$ 1,275,622,119</u>	<u>\$ 4,129,721,310</u>

A statutory limit of bonded indebtedness for school districts is set forth in Chapter 387.400 of the Nevada Revised Statutes. The limitation is based on 15 percent of the assessed valuation of property within the District, excluding motor vehicles. Based on the 2004 assessed valuation of \$44,624,019,200 the applicable debt limit is \$6,693,602,880 leaving the legal debt margin at \$3,839,503,689, notwithstanding the statutory tax rate limitation explained in **Note 1**. The District is in compliance with Chapter 387.400 as of June 30, 2004.

#### **Authorized Unissued Debt:**

The District has received both legislative and voter approval to issue an estimated \$3.8 billion in long-term debt for school construction and modernization. This long-term debt is a combination of property tax supported general obligation debt and general obligation debt (additionally secured by pledged room tax and real property transfer tax revenues). Of the \$3.8 billion, \$1.65 billion has been issued as of June 30, 2004. The District plans to issue the remaining authorized debt through June 30, 2008.

#### **Defeasement of Debt:**

The District has defeased certain general obligation bonds by placing the proceeds of new bonds into irrevocable trust accounts to provide for all future debt service payments on the old bonds. Accordingly, the trust account assets and the liability for the defeased bonds are not included in the District's financial statements. During the current year, \$333,820,000 of general obligation bonds was defeased. At June 30, 2004, the outstanding principal on the following bonds is considered defeased:

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 8 - GENERAL OBLIGATION BONDS PAYABLE (continued)**

##### **Defeasement of Debt:**

<u>CCSD School Improvement &amp; Building Bonds</u>	<u>Defeased Principal</u>
Series 1994; Dated November 1, 1994	\$ 53,415,000
Series 1995A; Dated May 1, 1995	137,110,000
Series 1996; Dated May 1, 1996	224,230,000
Series 1996B; Dated December 1, 1996	23,275,000
Series 1997B; Dated April 1, 1997	199,270,000
Series 1999; Dated April 1, 1999	130,155,000
Series 1999B; Dated July 1, 1999	66,110,000
Series 2000A; Dated March 1, 2000	95,035,000
Total	<u>\$ 928,600,000</u>

##### **Current Year Advance Refunding Bonds Issuances:**

On March 1, 2004 the District issued \$210,975,000 of General Obligation (Limited Tax) Refunding Bonds. The total difference in the cash flow debt service refunding requirements for the refunded debt and the refunding debt is \$11,235,512 with a present value savings of \$10,819,836.

On March 1, 2004, the District issued \$124,745,000 of General Obligation (Additionally Secured by Pledged Revenues) Refunding Bonds. The total difference in the cash flow debt service refunding requirements for the refunded debt and the refunding debt is \$7,615,506 with a present value savings of \$6,925,141.

##### **Obligation for Arbitrage Payable:**

The Tax Reform Act of 1986 established arbitrage guidelines that require a rebate of interest earned on bond funds in excess of interest paid. At June 30, 2004, the District is currently reporting negative arbitrage and thus no rebate of interest is required.

##### **Debt Service Reserve Fund:**

Nevada Revised Statute 350.020 requires that the Board establish a reserve account within its debt service fund for payment of the outstanding bonds of the District. Currently, the account must be established and maintained in an amount at least equal to the lesser of the amount of principal and interest payments due on all of the outstanding bonds of the District in the next fiscal year or 10% of the outstanding principal amount of the outstanding bonds of the District. The amounts on deposit in the reserve account are not directly pledged to pay debt service on the debt, and if permitted, may be used for other purposes. As of June 30, 2004 the amount required to fund the reserve account was \$285,409,919; which was fully funded by the District.

#### **NOTE 9 - LEASES**

##### **Operating Leases**

The District leases building and other office facilities under noncancelable operating leases. Total costs for such leases were \$912,653 for the fiscal year ended June 30, 2004. The District leases property through yearly contracts and decides at year-end whether to renew outstanding leases.

# CLARK COUNTY SCHOOL DISTRICT

## NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

### NOTE 9 - LEASES (continued)

The District also leases a fiber optical wide-area network under a noncancelable operating lease. Total costs for this lease were \$1,878,740 for the year ending June 30, 2004. The future minimum lease payments for this lease are as follows:

Year Ending June 30	Amount
2005	\$ 3,097,500
2006	3,097,500
2007	3,097,500
2008	3,097,500
2009	3,097,500
2010-2013	12,390,000
Total	<u>\$ 27,877,500</u>

### NOTE 10 - CHANGES IN LONG-TERM LIABILITIES

Long-term liability activity for the year-ended June 30, 2004, was as follows:

	Beginning Balance July 1, 2003	Additions	Reductions	Ending Balances June 30, 2004	Due Within One Year
<b>Governmental Activities:</b>					
Bonds payable:					
General obligation bonds	\$ 1,869,815,001	\$ 610,975,000	\$ (309,380,000)	\$ 2,171,410,001	* \$ 117,735,000
General obligation revenue bonds	731,265,000	124,745,000	(149,520,000)	706,490,000	28,295,000
Less: issuance discounts	(9,241,180)	-	2,807,723	(6,433,457)	-
Less: deferred losses	(28,435,374)	(37,507,232)	3,408,188	(62,534,418)	-
Plus: issuance premiums	72,525,047	63,890,385	(7,377,218)	129,038,214	-
Total bonds payable	<u>2,635,928,494</u>	<u>762,103,153</u>	<u>(460,061,307)</u>	<u>2,937,970,340</u>	<u>146,030,000</u>
Compensated absences	<u>31,713,957</u>	<u>21,229,606</u>	<u>(17,876,533)</u>	<u>35,067,030</u>	<u>17,855,085</u>
Governmental activity long-term liabilities	<u>\$ 2,667,642,451</u>	<u>\$ 783,332,759</u>	<u>\$ (477,937,840)</u>	<u>\$ 2,973,037,370</u>	<u>\$ 163,885,085</u>
<b>Business-type Activities:</b>					
Compensated absences	<u>\$ 498,800</u>	<u>\$ 203,400</u>	<u>\$ (192,233)</u>	<u>\$ 509,967</u>	<u>\$ 192,233</u>

\* \$2,171,410,001 in ending general obligation bonds payable is different from the amount reported for general obligation bonds payable of \$2,147,609,191 in Note 8 due to differing accounting methods used when recording bond discounts. The amount reported here in Note 10 includes the full face value of the discounted bonds under the accrual method as used on the government-wide statements. The amount in Note 8 reports the bond proceeds received under the modified accrual method as used on the fund financial statements.

Internal service funds predominantly serve the governmental funds. Accordingly, their long-term liabilities are included as part of the above totals for governmental activities. At year end \$112,515 of internal service funds compensated absences are included in the above amounts. Also, for the governmental activities, compensated absences are generally liquidated by a combination of the major and nonmajor governmental funds with the majority liquidated from the General Fund.

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 11 - COMPLIANCE WITH NEVADA REVISED STATUTES**

Per NRS 354.626, the District is required to report and explain expenditures that exceeded budgeted appropriations at the function level for the General Fund, Special Revenue and Capital Project Funds. As of June 30, 2004, the District had no exceptions to report.

#### **NOTE 12 - DEFINED BENEFIT PENSION PLAN**

All half-time or greater District employees are covered by the State of Nevada Public Employees Retirement System (the "Plan"), a cost sharing multiple-employer defined benefit plan of the public employee retirement system. The payroll for employees covered by the Plan for the year ended June 30, 2004 was \$961,035,337 and the District's total payroll was \$979,604,870. All full-time District employees are mandated by state law to participate in the Plan. A member of the system is eligible to retire at 65 with five years of service, at 60 with 10 years, and at any age with 30 years. Vested members are entitled to a life-time monthly retirement benefit equal to 2.5 percent times the member's years of service prior to July 1, 2001 and 2.67 percent after, to a maximum of 30 years, times an average compensation. The member's beginning retirement compensation is the average of their highest working compensation for 36 consecutive months. Benefits fully vest with 5 years of service. The Plan also provides death and disability benefits. Benefits are established by state statute and provisions may only be amended through legislation.

All District employees in the plan are enrolled under a non-contributory plan. District payment of what were formerly employee contributions, was made in lieu of equivalent salary increases. Per Chapter 286 of the Nevada Revised Statutes, the District's contribution was based on the actuarially determined statutory rate of 20.25 percent in 2003-04 for unified, licensed and support employees and 28.50 percent for police employees of gross compensation and amounted to \$194,847,025, 22.4% of the \$869,424,952 total paid by all employees and employers into the Plan for the year ended June 30, 2004. In previous years the contribution for unified, licensed and support employees was 18.75 percent. The District's contributions to PERS for the years ended June 30, 2003, 2002 and 2001 were \$168,635,521, \$158,158,484, and \$150,569,190 respectively, equal to the required contributions for each year, at the actuarially determined statutory rates of 18.75 and 28.50 percent.

During fiscal year 2004 \$2,114,768 was paid by the District for PERS credit on behalf of early retirees. See **Note 1**.

Financial statements for the Plan are available by calling (775) 687-4200 or writing to:

Public Employees' Retirement System of Nevada  
693 W. Nye Lane  
Carson City, NV 89703-1599

#### **NOTE 13 - RISK MANAGEMENT**

**Risk Management** - The District is exposed to various risks of loss related to torts; theft of, damage to, and destruction of assets; errors and omissions; and injuries to employees. The District accounts for such losses through its Insurance and Risk Management Internal Service Fund. The District retains the risk of financial loss per occurrence as follows:

1. Worker's compensation up to \$600,000;
2. General liability and motor vehicle liability, with retention of \$1,000,000, except for out-of-state motor vehicle liability with retentions of \$250,000 per claimant / \$1,000,000 per occurrence;
3. Errors and omissions and employment practices liability, with retention of \$250,000 per occurrence;
4. Property, including boiler and machinery, with retention of \$100,000 except for flood and earthquake with retentions of one percent (1%) of value subject to maximum of \$1,000,000;

## CLARK COUNTY SCHOOL DISTRICT

### NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004

#### NOTE 13 - RISK MANAGEMENT (continued)

5. Broadcasters liability, with retention of \$5,000;
6. Crime / employee dishonesty, with retention of \$50,000;
7. Catastrophic medical and cash benefit insurance for athletic and extracurricular activities injuries, with a deductible of \$25,000 or injured student's medical insurance protection, whichever is greater.
8. Foreign liability insurance, with no retention.

The District purchases commercial insurance for occurrences in excess of the foregoing retention levels. Over the past 3 years there have been significant reductions in almost all areas of insurance coverage for the District. However, the District remains adequately covered for losses and no settlements have been made in excess of insurance coverage for the past 5 years.

The Insurance and Risk Management Internal Service Fund insures all operational activities of the District by charging premiums to other funds of the District. Premiums charged are based on estimates of the amounts needed to pay actual and projected claims, to support self-insurance operational costs, and to establish a self-insured reserve for incurred losses. The reserve was \$10,039,946 at June 30, 2004, and is reported as net assets for Risk Management. The estimates of the liability insurance claims payable of \$13,740,103 and the worker's compensation claims payable of \$12,062,978 at June 30, 2004, were determined by the District with the assistance of an independent actuarial study as of that date and are reflected in the financial statements of the Insurance and Risk Management Internal Service Fund.

A summary of changes in the aggregate claims liabilities for the past two years follows:

	Fiscal 2004	Fiscal 2003
Beginning Balance - July 1, 2003 and 2002	\$ 22,491,554	\$ 19,946,533
Claims Incurred	8,629,083	7,462,728
Changes in Estimates for Claims of the Prior Periods	59,932	61,358
Claims Paid	(5,377,488)	(4,979,065)
Ending Balance - June 30, 2004 and 2003	<u>\$ 25,803,081</u>	<u>\$ 22,491,554</u>

In December 2003, the District renewed its interest-bearing time certificate of deposit used for the self-insured workers' compensation program as a security deposit with the Nevada Division of Insurance. The amount of the deposit, \$5,666,000 is based on the total incurred cost of current and future claims as estimated by the office of the State Insurance Commissioner. See **Note 3**.

#### NOTE 14 - COMMITMENTS AND CONTINGENCIES

##### Construction Commitments

As of June 30, 2004, the District was operating the current 1998 voter-approved bond program and finalizing expenditures on the previous two closed programs. The following schedule outlines the amount of outstanding construction contracts encumbered by program:

	BOND PROGRAM			
	1994	1996	1998	TOTAL
<b>Building Category:</b>				
Elementary	\$ 354,998	\$ 2,667	\$ 26,367,734	\$ 26,725,399
Secondary	-	13,198	200,277,025	200,290,223
Administrative and Other	14,860	33,352	13,600,325	13,648,537
Total Program	<u>\$ 369,858</u>	<u>\$ 49,217</u>	<u>\$ 240,245,084</u>	<u>\$ 240,664,159</u>

## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 14 - COMMITMENTS AND CONTINGENCIES (continued)**

The total amount of \$240,664,159 in construction contracts outstanding is shown as a reserve for encumbrances in the Bond Fund, a major fund of the District. See **Note 1**.

##### **Legal Contingencies**

The District is a defendant in various legal actions. The financial impact of these actions is not determinable; however, it is the opinion of District legal counsel and management that none of these actions would have a material impact on the District's financial condition.

#### **NOTE 15 - DESIGNATIONS OF GENERAL FUND UNRESERVED FUND BALANCE**

The District reports designations of unreserved fund balance which represent management's intended use of resources available to the District. The following are explanations of the reported designations of fund balance in the General Fund:

- *School Carryover* – District schools are allowed to carryover into the next year a small apportionment of their unspent budgets from the current fiscal/school year.
- *Improvements in Maintenance and Operations Services* – allotment of funding for necessary roofing repairs and maintenance to be performed on several district schools in the next fiscal year.
- *Potential Impacts of NCLB Mandates Carryover* – the District continues to designate a portion of fund balance as a cushion for unfunded costs associated with the federal government's "No Child Left Behind" legislation.
- *ERP Business Resource Data System* – to provide funding in relation to the District's plans to procure and implement a district-wide enterprise resource planning system.
- *Bus Fuel Increases* – to provide for additional funding in the next year to ease the costs of rapidly rising fuel rates.
- *Subsidy for Retirees on Public Employees' Benefits Program* – to provide funding for the unfunded state mandated health insurance subsidy on behalf of retirees who are members of the state's Public Employees' Benefits Program.
- *Career Plan Health Insurance Subsidy* – to designate the unspent portion of funds provided by the District to be paid out to eligible licensed retirees in order to supplement future health care costs per their negotiated contract.
- *Teacher Contract Liability* – to designate funding for the additional costs to be incurred under the new teacher contract that creates additional steps and ranges on the licensed salary scale.
- *ESEA Employee Group Insurance Reserve* – to designate the reserve between support staff employee group insurance expenditures and negotiated funding by the District plus employee contributions.
- *At-risk / High-impact Teachers Additional PERS Credit* – to provide for the additional unfunded costs associated with the legally mandated 1/5<sup>th</sup> additional PERS service credit for teachers in at-risk schools or teaching high-impact subjects such as math and science.



## **CLARK COUNTY SCHOOL DISTRICT**

### **NOTES TO THE BASIC FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

#### **NOTE 16 - OTHER POSTEMPLOYMENT BENEFITS**

In addition to the pension benefits described in **Note 12**, the District provides a subsidy for postretirement health care benefits, in accordance with NRS 287.023, to all retired employees who enroll with the Nevada Public Employees' Benefits Program. As of June 30, 2004, there were 1,066 retirees belonging to this program. Enrolled retirees pay monthly premiums for health insurance benefits directly to the program, while the District is required to subsidize the partial or total cost of the premium based incrementally on a retiree's number of years of service with the District. This is the first year of mandated compliance with NRS 287.023. Expenditures for postretirement health care benefits are recognized on a monthly basis and totaled \$1,926,722 for the 2003-04 fiscal year.

#### **NOTE 17 - DONOR RESTRICTED ENDOWMENTS**

In 2003-04, the KLVX Communications Group received a \$650,000 term endowment where the corpus (principal) is restricted from use for a set period of time. The donor has provided instructions relating to expending the net appreciation which is to allow KLVX to spend the corresponding appreciation as they see fit for their various programs. The District does not currently have a policy restricting the authorization and spending of endowment investment income. State statute, NRS 164, allows a local government to authorize expenditures of net appreciation as is prudent for the government. As of June 30, 2004, there is \$7,682 of net appreciation available to be spent.

#### **NOTE 18 - SUBSEQUENT EVENT**

##### **Bond Issuance**

In July of 2004, the District issued \$60,000,000 of General Obligation (Limited Tax) Medium-term Bonds, Series 2004C (with an average yield of 3.65 percent.) The bond proceeds, which were deposited in the District's Building and Sites Fund, are to be used to construct several non-school facilities. The life of the bonds is 10 years with the debt expected to be serviced by a series of District funds including the General Fund, the Governmental Services Tax Fund, and the Building and Sites Fund.

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## SUPPLEMENTAL INFORMATION

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- **Major Governmental Funds**
- **Nonmajor Governmental Funds**
- **Nonmajor Special Revenue Funds**
- **Nonmajor Capital Project Funds**
- **Food Service Enterprise Fund**
- **Internal Service Funds**
- **Agency Fund**
- **Capital Assets Used in the Operation of Governmental Funds**



# MAJOR FUNDS

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## GENERAL FUND

To account for resources and costs of operations associated with the District which are not required to be accounted for in other funds.

## SPECIAL EDUCATION FUND

To account for transactions of the District relating to educational services provided to children with special needs.

## DEBT SERVICE FUND

To account for the collection of revenues and the cost of operations associated with debt service for General Obligation Debt.

## BOND FUND

To account for the costs of capital construction and improvements paid for with bond proceeds.



CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule A-1

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 124,682,658	\$ 52,454,781
Accounts receivable	149,887,112	131,563,549
Interest receivable	1,673,121	1,918,481
Inventories	1,939,549	1,817,803
Prepays	<u>1,680,976</u>	<u>998,610</u>
TOTAL ASSETS	\$ <u>279,863,416</u>	\$ <u>188,753,224</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 53,845,197	\$ 24,230,141
Intergovernmental accounts payable	3,100,460	870,738
Accrued salaries	81,840,374	71,924,281
Accrued benefits	26,919,802	38,015,937
Deferred revenue	<u>5,864,035</u>	<u>6,624,496</u>
Total liabilities	<u>171,569,868</u>	<u>141,665,593</u>
FUND BALANCE:		
Reserved for:		
Inventories	1,939,549	1,817,803
Prepays	1,680,976	998,610
Encumbrances	11,314,523	3,242,400
Grants	3,010,030	-
Debt service	2,600,000	-
Unreserved:		
Designated for:		
Unrealized gains on investments	-	612,346
School carryover	2,508,383	2,446,184
ERP lease financing	-	4,650,000
Improvements in maintenance and operations services	1,000,000	2,026,785
Potential impacts of NCLB mandates carryover	1,354,000	2,266,856
ERP business resource data system	32,298,000	4,071,724
Textbook supplement	-	4,150,000
Bus fuel increases	800,000	-
Subsidy for retirees with Public Employees' Benefits Program	3,150,000	-
Career plan health insurance subsidy	900,000	-
Teacher contract liability	11,764,151	-
ESEA employee group insurance reserve	1,864,914	-
At-risk / high-impact teachers additional PERS credit	4,050,000	-
Undesignated	<u>28,059,022</u>	<u>20,804,923</u>
Total fund balance	<u>108,293,548</u>	<u>47,087,631</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>279,863,416</u>	\$ <u>188,753,224</u>

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Local school support tax	\$ 521,426,516	\$ 577,496,915	\$ 56,070,399	\$ 498,143,678
Ad valorem taxes	339,448,269	337,526,569	(1,921,700)	308,523,387
Governmental services tax	43,249,380	46,938,375	3,688,995	41,391,867
Two percent franchise tax	2,245,559	2,869,264	623,705	2,201,528
E-rate reimbursements	3,177,500	3,869,272	691,772	2,002,107
School project contributions	3,000,000	3,443,327	443,327	3,045,810
Local government fees	930,186	1,394,874	464,688	907,302
Tuition and summer school fees	1,845,429	1,788,847	(56,582)	1,786,474
Athletic proceeds	742,500	831,434	88,934	732,762
Other local sources	218,978	535,249	316,271	981,648
Investment income:				
Net inc/(dec) in the fair value of investments	200,000	(305,003)	(505,003)	720,629
Interest income	2,370,397	1,348,112	(1,022,285)	2,250,746
Total local sources	918,854,714	977,737,235	58,882,521	862,687,938
State sources:				
State distributive fund	438,097,174	382,897,993	(55,199,181)	345,092,559
State special appropriations	2,000,000	7,047,995	5,047,995	9,626,131
Total state sources	440,097,174	389,945,988	(50,151,186)	354,718,690
Federal sources:				
Public Law 103 - 382	583,000	650,702	67,702	555,312
Forest reserve	10,500	13,594	3,094	11,942
Total federal sources	593,500	664,296	70,796	567,254
Other sources:				
Sales of district property	240,000	209,471	(30,529)	354,043
Proceeds from insurance	160,000	219,989	59,989	186,783
Total other sources	400,000	429,460	29,460	540,826
TOTAL REVENUES	1,359,945,388	1,368,776,979	8,831,591	1,218,514,708

EXPENDITURES:

Current:				
REGULAR PROGRAMS:				
Instruction:				
Salaries	456,383,868	444,057,069	12,326,799	413,393,474
Benefits	150,296,354	146,046,123	4,250,231	124,679,321
Purchased services	12,819,121	12,021,979	797,142	9,167,176
Supplies	40,544,258	41,434,577	(890,319)	23,752,258
Property	3,284,866	13,817,550	(10,532,684)	12,372,306
Other	866,358	645,830	220,528	526,176
Total instruction	664,194,825	658,023,128	6,171,697	583,890,711

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Support services:				
Student transportation:				
Purchased services	\$ 536,849	\$ 553,669	\$ (16,820)	\$ 623,745
Other support services:				
Salaries	24,112,016	23,602,615	509,401	22,575,729
Benefits	7,605,266	7,557,022	48,244	6,636,174
Purchased services	268,233	264,771	3,462	276,481
Supplies	1,904,741	1,804,573	100,168	1,781,562
Property	61,958	21,958	40,000	33,908
Other	24,241	25,669	(1,428)	9,244
Total other support services	33,976,455	33,276,608	699,847	31,313,098
Total support services	34,513,304	33,830,277	683,027	31,936,843
TOTAL REGULAR PROGRAMS	695,056,533	691,853,405	3,203,128	615,827,554
SPECIAL PROGRAMS:				
Instruction:				
Salaries	10,683,933	9,937,072	746,861	10,096,754
Benefits	3,375,099	3,167,063	208,036	2,831,767
Purchased services	38,600	17,611	20,989	18,980
Supplies	432,761	275,219	157,542	669,342
Total instruction	14,530,393	13,396,965	1,133,428	13,616,843
Support services:				
Salaries	2,433,665	1,803,682	629,983	1,633,316
Benefits	661,069	579,492	81,577	488,746
Purchased services	152,244	74,144	78,100	34,666
Supplies	111,824	37,613	74,211	131,075
Property	70,000	48,677	21,323	99,895
Other	10,902	9,314	1,588	3,032
Total support services	3,439,704	2,552,922	886,782	2,390,730
TOTAL SPECIAL PROGRAMS	17,970,097	15,949,887	2,020,210	16,007,573
VOCATIONAL PROGRAMS:				
Instruction:				
Salaries	7,500,641	7,199,466	301,175	7,576,613
Benefits	2,582,812	2,450,241	132,571	2,245,263
Purchased services	31,188	29,367	1,821	26,423
Supplies	443,865	474,750	(30,885)	404,069
Property	140,999	170,791	(29,792)	504,676
Other	2,538	2,538	-	3,070
Total instruction	10,702,043	10,327,153	374,890	10,760,114

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Support services:				
Student transportation:				
Purchased services	\$ 9,511	\$ 9,511	\$ -	\$ 8,650
Other support services:				
Purchased services	3,565	3,555	10	2,753
Supplies	10,740	10,692	48	24,186
Total other support services	14,305	14,247	58	26,939
Total support services	23,816	23,758	58	35,589
TOTAL VOCATIONAL PROGRAMS	10,725,859	10,350,911	374,948	10,795,703
<u>OTHER INSTRUCTIONAL PROGRAMS:</u>				
School co-curricular activities:				
Instruction:				
Salaries	1,021,990	821,542	200,448	764,876
Benefits	400,888	378,658	22,230	339,206
Purchased services	269,122	261,778	7,344	244,402
Supplies	599,724	246,431	353,293	194,783
Property	8,541	6,826	1,715	23,740
Other	36,540	41,604	(5,064)	37,066
Total instruction	2,336,805	1,756,839	579,966	1,604,073
Support services:				
Student transportation:				
Purchased services	182,300	172,978	9,322	195,751
Other support services:				
Salaries	358,768	355,681	3,087	299,349
Benefits	77,722	76,305	1,417	63,973
Purchased services	155,501	127,174	28,327	121,747
Supplies	156,507	90,288	66,219	122,965
Other	7,840	6,893	947	6,405
Total other support services	756,338	656,341	99,997	614,439
Total support services	938,638	829,319	109,319	810,190
Total school co-curricular activities	3,275,443	2,586,158	689,285	2,414,263
School athletics:				
Instruction:				
Salaries	78,400	75,708	2,692	-
Benefits	17,740	6,461	11,279	-
Purchased services	1,181,899	1,138,737	43,162	1,235,739
Supplies	1,940,952	1,680,228	260,724	1,117,727
Property	28,535	33,852	(5,317)	57,201
Other	122,090	124,456	(2,366)	127,160
Total instruction	3,369,616	3,059,442	310,174	2,537,827

(Continued)



CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Support services:				
Student transportation:				
Purchased services	\$ 1,625,336	\$ 1,602,897	\$ 22,439	\$ 1,586,491
Total school athletics	4,994,952	4,662,339	332,613	4,124,318
Summer school:				
Instruction:				
Salaries	1,157,673	819,329	338,344	805,127
Benefits	27,563	26,860	703	21,019
Purchased services	2,850	16,485	(13,635)	7,713
Supplies	23,696	328	23,368	990
Total instruction	1,211,782	863,002	348,780	834,849
Support services:				
Salaries	97,096	48,484	48,612	80,462
Benefits	2,263	1,390	873	2,068
Purchased services	6,059	18,115	(12,056)	18,614
Supplies	3,393	-	3,393	-
Total support services	108,811	67,989	40,822	101,144
Total summer school	1,320,593	930,991	389,602	935,993
TOTAL OTHER INSTRUCTIONAL PROGRAMS	9,590,988	8,179,488	1,411,500	7,474,574
<u>UNDISTRIBUTED EXPENDITURES:</u>				
Support services:				
Student support:				
Salaries	34,930,515	34,528,437	402,078	33,103,889
Benefits	11,572,074	11,458,711	113,363	10,064,095
Purchased services	164,522	160,240	4,282	129,973
Supplies	490,999	642,101	(151,102)	101,563
Property	119,190	287,490	(168,300)	4,366
Other	2,233	2,572	(339)	995
Total student support	47,279,533	47,079,551	199,982	43,404,881
Instructional staff support:				
Salaries	9,626,891	9,129,166	497,725	8,837,800
Benefits	2,647,239	2,500,430	146,809	2,233,071
Purchased services	3,445,234	2,790,586	654,648	3,095,486
Supplies	3,460,567	3,365,152	95,415	4,050,644
Property	587,117	1,085,448	(498,331)	1,007,775
Other	331,308	316,471	14,837	244,317
Total instructional staff support	20,098,356	19,187,253	911,103	19,469,093

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
General administration:				
Salaries	\$ 6,573,244	\$ 6,672,272	\$ (99,028)	\$ 6,287,474
Benefits	1,957,585	1,834,023	123,562	1,603,086
Purchased services	7,940,839	7,077,027	863,812	9,663,353
Supplies	501,453	166,100	335,353	145,991
Property	43,237	91,577	(48,340)	56,785
Other	303,487	198,030	105,457	157,372
Total general administration	17,319,845	16,039,029	1,280,816	17,914,061
School administration:				
Salaries	99,114,146	93,119,905	5,994,241	86,192,429
Benefits	29,706,679	27,896,681	1,809,998	23,485,495
Purchased services	733,720	732,411	1,309	727,558
Supplies	180	20,286	(20,106)	11,830
Total school administration	129,554,725	121,769,283	7,785,442	110,417,312
Business support:				
Salaries	7,133,312	6,250,956	882,356	5,882,246
Benefits	2,661,397	2,446,670	214,727	2,155,253
Purchased services	1,209,641	1,104,464	105,177	976,989
Supplies	957,282	1,563,225	(605,943)	336,896
Property	76,682	85,688	(9,006)	24,650
Other	12,663	11,569	1,094	11,897
Total business support	12,050,977	11,462,572	588,405	9,387,931
Operation and maintenance of plant services:				
Salaries	73,194,208	70,551,014	2,643,194	63,959,865
Benefits	24,056,219	21,300,428	2,755,791	17,545,515
Purchased services	26,421,219	20,000,203	6,421,016	18,693,796
Supplies	46,934,146	46,447,904	486,242	43,238,316
Property	3,663,304	2,567,239	1,096,065	3,447,899
Other	52,376	52,965	(589)	71,565
Total operation and maintenance of plant services	174,321,472	160,919,753	13,401,719	146,956,956
Student transportation:				
Salaries	23,844,710	21,147,649	2,697,061	20,599,561
Benefits	8,179,944	6,284,614	1,895,330	5,546,807
Purchased services	502,637	365,855	136,782	433,935
Supplies	3,160,153	2,478,242	681,911	1,712,743
Property	2,148,000	2,165,712	(17,712)	11,317,656
Other	85,609	62,314	23,295	14,119
Total student transportation	37,921,053	32,504,386	5,416,667	39,624,821

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - GENERAL FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Central support:				
Salaries	\$ 9,939,578	\$ 9,509,708	\$ 429,870	\$ 9,697,795
Benefits	4,223,194	3,423,231	799,963	3,317,236
Purchased services	9,041,800	3,455,398	5,586,402	3,570,733
Supplies	4,550,427	417,743	4,132,684	545,306
Property	3,000,084	848,596	2,151,488	1,928,967
Other	4,938,634	226,397	4,712,237	100,904
Total central support	35,693,717	17,881,073	17,812,644	19,160,941
Total support services	474,239,678	426,842,900	47,396,778	406,335,996
Facilities acquisition and construction services:				
Salaries	951,280	964,144	(12,864)	884,403
Benefits	274,585	267,679	6,906	231,438
Purchased services	496,870	472,479	24,391	389,408
Supplies	15,920	19,773	(3,853)	8,771
Property	20,910	33,773	(12,863)	4,197
Other	15,000	12,476	2,524	21,286
Total facilities acquisition and construction services	1,774,565	1,770,324	4,241	1,539,503
TOTAL UNDISTRIBUTED EXPENDITURES	476,014,243	428,613,224	47,401,019	407,875,499
TOTAL EXPENDITURES	1,213,009,316	1,154,946,915	58,062,401	1,057,980,903
EXCESS OF REVENUES OVER EXPENDITURES	146,936,072	213,830,064	66,893,992	160,533,805
OTHER FINANCING SOURCES (USES):				
Transfers in	2,000,000	-	(2,000,000)	-
Transfers out	(156,365,823)	(152,624,147)	3,741,676	(147,755,524)
Execution of capital lease	20,000,000	-	(20,000,000)	-
TOTAL OTHER FINANCING SOURCES (USES)	(134,365,823)	(152,624,147)	(18,258,324)	(147,755,524)
NET CHANGE IN FUND BALANCE	12,570,249	61,205,917	48,635,668	12,778,281
FUND BALANCE, JULY 1	47,087,631	47,087,631	-	34,309,350
FUND BALANCE, JUNE 30	\$ 59,657,880	\$ 108,293,548	\$ 48,635,668	\$ 47,087,631

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - SPECIAL EDUCATION FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule A-3

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 23,319,938	\$ 21,212,698
Accounts receivable	30,499	20,156
Prepays	<u>31,139</u>	<u>31,958</u>
TOTAL ASSETS	\$ <u>23,381,576</u>	\$ <u>21,264,812</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 447,411	\$ 273,446
Accrued salaries and benefits	<u>22,934,165</u>	<u>20,991,366</u>
Total liabilities	<u>23,381,576</u>	<u>21,264,812</u>
FUND BALANCE:		
Reserved for:		
Prepays	31,139	31,958
Unreserved:		
Undesignated	<u>(31,139)</u>	<u>(31,958)</u>
Total fund balance	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>23,381,576</u>	\$ <u>21,264,812</u>

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - SPECIAL EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Other local sources	\$ -	\$ 6,405	\$ 6,405	\$ 16,173
State sources:				
State distributive fund	47,602,617	48,267,346	664,729	43,946,604
TOTAL REVENUES	47,602,617	48,273,751	671,134	43,962,777
<u>EXPENDITURES:</u>				
Current:				
SPECIAL PROGRAMS:				
Instruction:				
Salaries	115,502,065	112,476,060	3,026,005	103,788,522
Benefits	39,786,841	38,584,467	1,202,374	32,852,389
Purchased services	33,237	1,072,952	(1,039,715)	689,445
Supplies	1,870,781	2,265,684	(394,903)	1,887,615
Property	46,367	46,167	200	87,993
Other	3,345	2,085	1,260	60
Total instruction	157,242,636	154,447,415	2,795,221	139,306,024
Support services:				
Student transportation:				
Salaries	6,000	4,426	1,574	4,440
Benefits	140	37	103	41
Purchased services	497,508	483,592	13,916	499,255
Total student transportation	503,648	488,055	15,593	503,736
Other support services:				
Salaries	12,186,831	11,088,752	1,098,079	10,716,784
Benefits	3,758,829	3,388,850	369,979	3,167,199
Purchased services	657,230	604,403	52,827	557,783
Supplies	344,618	330,536	14,082	313,475
Property	36,119	36,033	86	16,682
Other	11,521	4,990	6,531	3,427
Total other support services	16,995,148	15,453,564	1,541,584	14,775,350
Total support services	17,498,796	15,941,619	1,557,177	15,279,086
TOTAL SPECIAL PROGRAMS	174,741,432	170,389,034	4,352,398	154,585,110
UNDISTRIBUTED EXPENDITURES:				
Support services:				
Student transportation:				
Salaries	18,704,250	17,944,224	760,026	16,643,334
Benefits	6,212,790	5,619,181	593,609	4,707,806
Purchased services	75,935	53,272	22,663	39,515
Supplies	1,384,600	1,786,497	(401,897)	1,424,667
TOTAL UNDISTRIBUTED EXPENDITURES	26,377,575	25,403,174	974,401	22,815,322

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - SPECIAL EDUCATION  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
TOTAL EXPENDITURES	\$ 201,119,007	\$ 195,792,208	\$ 5,326,799	\$ 177,400,432
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(153,516,390)	(147,518,457)	5,997,933	(133,437,655)
OTHER FINANCING SOURCES:				
Transfers in	153,516,390	147,518,457	(5,997,933)	133,437,655
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ -	\$ -

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - DEBT SERVICE FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule A-5

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 364,321,676	\$ 312,982,976
Accounts receivable	6,616,473	6,829,544
Interest receivable	<u>176,895</u>	<u>125,481</u>
TOTAL ASSETS	\$ <u>371,115,044</u>	\$ <u>319,938,001</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ -	\$ 3,181
Deferred revenue	<u>3,510,920</u>	<u>4,041,400</u>
Total liabilities	<u>3,510,920</u>	<u>4,044,581</u>
FUND BALANCE:		
Reserved for:		
Debt service	367,604,124	314,387,690
Unreserved:		
Designated for net unrealized gains in investments	<u>-</u>	<u>1,505,730</u>
Total fund balance	<u>367,604,124</u>	<u>315,893,420</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>371,115,044</u>	\$ <u>319,938,001</u>

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - DEBT SERVICE FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-6

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Ad valorem taxes	\$ 248,760,610	\$ 250,155,941	\$ 1,395,331	\$ 228,548,882
Other local sources	20,000	23,862	3,862	-
Investment income:				
Net increase (decrease) in the fair value of investments	(600,000)	(1,113,688)	(513,688)	1,725,676
Interest income	4,879,674	5,195,411	315,737	4,607,518
TOTAL REVENUES	253,060,284	254,261,526	1,201,242	234,882,076
<u>EXPENDITURES:</u>				
Debt service:				
Principal	115,809,024	115,809,024	-	108,508,780
Interest	155,839,827	139,119,656	16,720,171	140,156,326
Payment to refunded bond escrow agent	3,000,000	2,947,344	52,656	3,508,134
Bond issuance costs	5,440,000	1,887,462	3,552,538	1,211,427
Purchased services	450,000	400,633	49,367	508,524
TOTAL EXPENDITURES	280,538,851	260,164,119	20,374,732	253,893,191
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(27,478,567)	(5,902,593)	21,575,974	(19,011,115)
<u>OTHER FINANCING SOURCES (USES):</u>				
Transfers in	59,000,000	55,674,642	(3,325,358)	69,271,954
General obligation refunding bonds issued	123,605,000	335,720,000	212,115,000	339,545,000
Premiums on general obligation refunding bonds	33,500,000	34,598,541	1,098,541	30,469,071
Payment to refunded bond escrow agent	(153,962,900)	(368,379,886)	(214,416,986)	(368,749,244)
TOTAL OTHER FINANCING SOURCES (USES)	62,142,100	57,613,297	(4,528,803)	70,536,781
NET CHANGE IN FUND BALANCE	34,663,533	51,710,704	17,047,171	51,525,666
FUND BALANCE, JULY 1	315,893,420	315,893,420	-	264,367,754
FUND BALANCE, JUNE 30	\$ 350,556,953	\$ 367,604,124	\$ 17,047,171	\$ 315,893,420



CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - BOND FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule A-7

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 297,700,775	\$ 271,749,216
Accounts receivable	20,932,737	13,328,925
Interest receivable	<u>1,718,525</u>	<u>2,097,958</u>
TOTAL ASSETS	\$ <u>320,352,037</u>	\$ <u>287,176,099</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 27,617,478	\$ 18,373,677
Accrued salaries and benefits	1,060,554	832,190
Arbitrage payable	-	2,342,294
Construction contracts and retentions payable	<u>34,381,825</u>	<u>35,565,218</u>
Total liabilities	<u>63,059,857</u>	<u>57,113,379</u>
FUND BALANCE:		
Reserved for:		
Encumbrances	240,664,159	255,276,119
Unreserved:		
Designated for:		
Net unrealized gains in investments	-	627,535
Capital improvements	16,628,021	-
Undesignated	<u>-</u>	<u>(25,840,934)</u>
Total fund balance	<u>257,292,180</u>	<u>230,062,720</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>320,352,037</u>	\$ <u>287,176,099</u>

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>REVENUES:</b>				
Local sources:				
Real estate transfer tax	\$ 22,734,408	\$ 41,089,833	\$ 18,355,425	\$ 24,708,324
Room tax	45,279,004	51,687,682	6,408,678	44,370,723
Other local sources	-	24,141	24,141	254,481
Investment income:				
Net increase (decrease) in the fair value of investments	-	(1,692,199)	(1,692,199)	(2,494,686)
Interest income	10,592,550	6,781,753	(3,810,797)	12,986,374
<b>TOTAL REVENUES</b>	<b>78,605,962</b>	<b>97,891,210</b>	<b>19,285,248</b>	<b>79,825,216</b>
<b>EXPENDITURES:</b>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Purchased services	575,000	663,919	(88,919)	-
Supplies	3,100,000	2,614,847	485,153	1,531,057
Property	32,900,000	33,022,299	(122,299)	26,968,565
Total instruction	36,575,000	36,301,065	273,935	28,499,622
Support services:				
Supplies	2,900,000	2,866,715	33,285	2,315,447
<b>TOTAL REGULAR PROGRAMS</b>	<b>39,475,000</b>	<b>39,167,780</b>	<b>307,220</b>	<b>30,815,069</b>
UNDISTRIBUTED EXPENDITURES:				
Business support:				
Purchased services	2,375,000	2,315,908	59,092	214,231
Other	1,000,000	255,533	744,467	309,583
Total business support	3,375,000	2,571,441	803,559	523,814
Operation and maintenance of plant services:				
Supplies	325,000	300,705	24,295	186,646
Property	275,000	256,945	18,055	496,059
Total operation and maintenance of plant services	600,000	557,650	42,350	682,705
Capital outlay:				
Facilities acquisition and construction services:				
Land acquisition services:				
Salaries	400,000	435,174	(35,174)	393,540
Benefits	110,000	132,269	(22,269)	110,403
Purchased services	165,000	143,801	21,199	-
Supplies	20,000	15,221	4,779	9,054
Property	8,325,000	4,428,528	3,896,472	8,494,802
Other	-	1,399	(1,399)	-
Total land acquisition services	9,020,000	5,156,392	3,863,608	9,007,799

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Site improvements:				
Salaries	\$ 10,500	\$ 8,609	\$ 1,891	\$ -
Benefits	250	79	171	-
Purchased services	109,848,290	54,368,891	55,479,399	104,550,910
Supplies	250,000	77,237	172,763	251,206
Total site improvements	110,109,040	54,454,816	55,654,224	104,802,116
Building acquisition and construction:				
Salaries	3,500,000	3,087,016	412,984	3,455,456
Benefits	445,000	494,395	(49,395)	412,789
Purchased services	292,980,000	255,769,209	37,210,791	200,517,020
Supplies	250,000	261,471	(11,471)	242,621
Property	5,000,000	3,092,938	1,907,062	4,683,420
Other	-	47,261	(47,261)	2,600
Total building acquisition and construction	302,175,000	262,752,290	39,422,710	209,313,906
Building improvements:				
Salaries	7,005,000	6,379,900	625,100	7,003,169
Benefits	1,070,000	940,917	129,083	826,818
Purchased services	64,398,500	54,148,274	10,250,226	25,257,380
Supplies	2,225,000	1,458,611	766,389	1,795,607
Property	600,000	570,575	29,425	217,070
Other	1,500	641	859	-
Total building improvements	75,300,000	63,498,918	11,801,082	35,100,044
Other facilities acquisition and construction:				
Salaries	13,400,000	10,605,015	2,794,985	8,534,824
Benefits	3,800,000	3,163,251	636,749	2,428,392
Purchased services	1,205,000	1,177,429	27,571	138,629
Supplies	375,000	362,910	12,090	-
Property	690,000	686,390	3,610	586,238
Other	150,000	124,669	25,331	-
Total other facilities acquisition and construction	19,620,000	16,119,664	3,500,336	11,688,083
Total facilities acquisition and construction services	516,224,040	401,982,080	114,241,960	369,911,948
TOTAL UNDISTRIBUTED EXPENDITURES	520,199,040	405,111,171	115,087,869	371,118,467
TOTAL EXPENDITURES	559,674,040	444,278,951	115,395,089	401,933,536
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(481,068,078)	(346,387,741)	134,680,337	(322,108,320)

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
MAJOR FUND - BOND FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule A-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
OTHER FINANCING SOURCES (USES):				
Transfers out	\$ (59,000,000)	\$ (55,674,642)	\$ 3,325,358	\$ (73,987,020)
General obligation bonds issued	400,000,000	400,000,000	-	-
Premiums on general obligation bonds	-	29,291,843	29,291,843	-
TOTAL OTHER FINANCING SOURCES (USES)	341,000,000	373,617,201	32,617,201	(73,987,020)
NET CHANGE IN FUND BALANCE	(140,068,078)	27,229,460	167,297,538	(396,095,340)
FUND BALANCE, JULY 1	230,062,720	230,062,720	-	626,158,060
FUND BALANCE, JUNE 30	\$ 89,994,642	\$ 257,292,180	\$ 167,297,538	\$ 230,062,720

# NONMAJOR GOVERNMENTAL FUNDS

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Combining statements of all nonmajor  
governmental activity.



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2004  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2003)

Schedule B-1

	TOTALS			
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2004	2003
<u>ASSETS</u>				
Pooled cash and investments	\$ 48,247,441	\$ 26,626,075	\$ 74,873,516	\$ 58,364,917
Accounts receivable	30,964,532	2,056,409	33,020,941	20,043,509
Inventories	27,766	-	27,766	29,430
Prepays	17,484	8,377	25,861	23,390
TOTAL ASSETS	<u>\$ 79,257,223</u>	<u>\$ 28,690,861</u>	<u>\$ 107,948,084</u>	<u>\$ 78,461,246</u>
<u>LIABILITIES AND FUND BALANCES</u>				
LIABILITIES:				
Accounts payable	\$ 10,903,865	\$ 1,026,503	\$ 11,930,368	\$ 4,063,911
Accrued salaries and benefits	21,084,440	255,941	21,340,381	19,725,931
Deferred revenue	6,185,703	-	6,185,703	2,615,723
Deposit payable	-	1,000,000	1,000,000	-
Construction contracts and retentions payable	-	504,731	504,731	63,966
Total liabilities	<u>38,174,008</u>	<u>2,787,175</u>	<u>40,961,183</u>	<u>26,469,531</u>
FUND BALANCES:				
Reserved for:				
Inventories	27,766	-	27,766	29,430
Prepays	17,484	8,377	25,861	23,390
Grants	922,757	-	922,757	1,877,472
Unreserved:				
Designated for:				
Net unrealized gains in investments	-	-	-	154,667
Capital replacements	-	6,691,506	6,691,506	6,644,613
Capital improvements	-	19,203,803	19,203,803	15,086,563
Undesignated	40,115,208	-	40,115,208	28,175,580
Total fund balance	<u>41,083,215</u>	<u>25,903,686</u>	<u>66,986,901</u>	<u>51,991,715</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 79,257,223</u>	<u>\$ 28,690,861</u>	<u>\$ 107,948,084</u>	<u>\$ 78,461,246</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR GOVERNMENTAL FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule B-2

			TOTALS	
	Nonmajor Special Revenue Funds	Nonmajor Capital Projects Funds	2004	2003
<u>REVENUES:</u>				
Local sources	\$ 12,080,112	\$ 22,256,540	\$ 34,336,652	\$ 32,653,639
State sources	107,961,975	-	107,961,975	92,503,859
Federal sources	107,987,344	-	107,987,344	91,342,663
Other sources	-	3,526,552	3,526,552	4,371,281
TOTAL REVENUES	228,029,431	25,783,092	253,812,523	220,871,442
<u>EXPENDITURES:</u>				
Current:				
Instruction:				
Regular instruction	137,359,831	671,768	138,031,599	124,670,628
Special instruction	13,608,569	-	13,608,569	14,603,859
Vocational instruction	1,994,482	-	1,994,482	1,596,281
Adult instruction	5,166,019	-	5,166,019	4,654,801
Other instruction	18,077	-	18,077	176,491
Support services:				
Student support	9,376,223	-	9,376,223	8,304,744
Instructional staff support	22,349,043	-	22,349,043	19,287,394
Educational media services	4,097,183	-	4,097,183	4,561,143
General administration	17,783,372	-	17,783,372	12,859,086
School administration	326,884	-	326,884	7,632
Business support	266,225	3,831	270,056	281,986
Operation and maintenance of plant services	3,416,235	119,973	3,536,208	2,051,842
Student transportation	281,833	-	281,833	10,259,991
Central support	768,587	702	769,289	129,209
Other support services	2,899,220	-	2,899,220	2,214,684
Capital outlay:	-	23,414,970	23,414,970	28,626,437
Debt service:				
Principal	-	-	-	1,937,622
Interest	-	-	-	69,089
TOTAL EXPENDITURES	219,711,783	24,211,244	243,923,027	236,292,919
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	8,317,648	1,571,848	9,889,496	(15,421,477)
<u>OTHER FINANCING SOURCES:</u>				
Transfers in	2,605,690	2,500,000	5,105,690	19,032,935
TOTAL OTHER FINANCING SOURCES	2,605,690	2,500,000	5,105,690	19,032,935
NET CHANGE IN FUND BALANCES	10,923,338	4,071,848	14,995,186	3,611,458
FUND BALANCE, JULY 1	30,159,877	21,831,838	51,991,715	48,380,257
FUND BALANCE, JUNE 30	\$ 41,083,215	\$ 25,903,686	\$ 66,986,901	\$ 51,991,715

# **NONMAJOR SPECIAL REVENUE FUNDS**

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## **DISTRICT PROJECTS FUND**

To account for transactions of the District relating to programs supported by special purpose grants and reimbursements from the State of Nevada and other non-federal governmental entities; reimbursements for school operations, private and governmental grants, gifts, donations, and grant-related cost recovery.

## **KLVX COMMUNICATIONS GROUP**

To account for transactions and operations of the KLVX Communications Group including private and governmental gifts, grants and bequests.

## **FEDERAL PROJECTS FUND**

To account for transactions of the District relating to federal grant programs.

## **MEDICAID FUND**

To account for transactions of the District relating to grants and reimbursements from the Medicaid program for services rendered on behalf of eligible students.





CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2004  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2003)

Schedule C-1

					TOTALS	
	District Projects Fund	KLVX Communications Group Fund	Federal Projects Fund	Medicaid Fund	2004	2003
<b>ASSETS</b>						
Pooled cash and investments	\$ 27,137,788	\$ 5,585,774	\$ 1,824,943	\$ 13,698,936	\$ 48,247,441	\$ 37,415,987
Accounts receivable	9,474,396	182,254	16,568,673	4,739,209	30,964,532	18,319,423
Inventories	-	27,766	-	-	27,766	29,430
Prepays	9,734	-	-	7,750	17,484	20,084
<b>TOTAL ASSETS</b>	<b>\$ 36,621,918</b>	<b>\$ 5,795,794</b>	<b>\$ 18,393,616</b>	<b>\$ 18,445,895</b>	<b>\$ 79,257,223</b>	<b>\$ 55,784,924</b>
<b>LIABILITIES AND FUND BALANCES</b>						
<b>LIABILITIES:</b>						
Accounts payable	\$ 2,191,413	\$ 29,609	\$ 7,966,804	\$ 716,039	\$ 10,903,865	\$ 3,482,465
Accrued salaries and benefits	14,656,309	60,859	6,325,272	42,000	21,084,440	19,526,859
Deferred revenue	-	283,578	4,101,540	1,800,585	6,185,703	2,615,723
<b>Total liabilities</b>	<b>16,847,722</b>	<b>374,046</b>	<b>18,393,616</b>	<b>2,558,624</b>	<b>38,174,008</b>	<b>25,625,047</b>
<b>FUND BALANCE:</b>						
Reserved for:						
Inventories	-	27,766	-	-	27,766	29,430
Prepays	9,734	-	-	7,750	17,484	20,084
Grants	-	922,757	-	-	922,757	1,877,472
Unreserved:						
Designated for:						
Net unrealized gains in investments	-	-	-	-	-	57,311
Undesignated	19,764,462	4,471,225	-	15,879,521	40,115,208	28,175,580
<b>Total fund balance</b>	<b>19,774,196</b>	<b>5,421,748</b>	<b>-</b>	<b>15,887,271</b>	<b>41,083,215</b>	<b>30,159,877</b>
<b>TOTAL LIABILITIES AND FUND BALANCES</b>	<b>\$ 36,621,918</b>	<b>\$ 5,795,794</b>	<b>\$ 18,393,616</b>	<b>\$ 18,445,895</b>	<b>\$ 79,257,223</b>	<b>\$ 55,784,924</b>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-2

					Totals	
	District Projects Fund	KLVX Communications Group Fund	Federal Projects Fund	Medicaid Fund	2004	2003
<b>REVENUES:</b>						
Local sources	\$ 7,119,363	\$ 4,953,581	\$ -	\$ 7,168	\$ 12,080,112	\$ 13,033,991
State sources	107,726,225	235,750	-	-	107,961,975	92,503,859
Federal sources	-	-	99,038,181	8,949,163	107,987,344	91,342,663
<b>TOTAL REVENUES</b>	<b>114,845,588</b>	<b>5,189,331</b>	<b>99,038,181</b>	<b>8,956,331</b>	<b>228,029,431</b>	<b>196,880,513</b>
<b>EXPENDITURES:</b>						
<b>Current:</b>						
<b>Instruction:</b>						
Regular instruction	91,674,248	-	43,840,082	1,845,501	137,359,831	119,170,991
Special instruction	590,437	-	12,276,120	742,012	13,608,569	14,603,859
Vocational instruction	331,657	-	1,662,825	-	1,994,482	1,596,281
Adult instruction	5,166,019	-	-	-	5,166,019	4,654,801
Other instruction	6,051	-	-	12,026	18,077	176,491
<b>Support services:</b>						
Student support	968,536	-	8,313,484	94,203	9,376,223	8,304,744
Instructional staff support	5,388,459	-	14,880,996	2,079,588	22,349,043	19,286,492
Educational media services	-	4,097,183	-	-	4,097,183	4,561,143
General administration	5,042,080	-	11,474,645	1,266,647	17,783,372	12,859,086
School administration	48,142	-	-	278,742	326,884	7,632
Business support	26,800	-	131,226	108,199	266,225	280,695
Operation and maintenance of plant services	275,272	-	3,135,358	5,605	3,416,235	1,464,078
Student transportation	55,277	-	197,204	29,352	281,833	208,118
Central support	51,302	-	710,351	6,934	768,587	127,956
Other support services	483,330	-	2,415,890	-	2,899,220	2,214,684
<b>Total support services</b>	<b>12,339,198</b>	<b>4,097,183</b>	<b>41,259,154</b>	<b>3,869,270</b>	<b>61,564,805</b>	<b>49,314,628</b>
<b>TOTAL EXPENDITURES</b>	<b>110,107,610</b>	<b>4,097,183</b>	<b>99,038,181</b>	<b>6,468,809</b>	<b>219,711,783</b>	<b>189,517,051</b>
<b>EXCESS OF REVENUES OVER EXPENDITURES</b>	<b>4,737,978</b>	<b>1,092,148</b>	<b>-</b>	<b>2,487,522</b>	<b>8,317,648</b>	<b>7,363,462</b>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	2,605,690	-	-	-	2,605,690	741,739
<b>NET CHANGE IN FUND BALANCES</b>	<b>7,343,668</b>	<b>1,092,148</b>	<b>-</b>	<b>2,487,522</b>	<b>10,923,338</b>	<b>8,105,201</b>
<b>FUND BALANCE, JULY 1</b>	<b>12,430,528</b>	<b>4,329,600</b>	<b>-</b>	<b>13,399,749</b>	<b>30,159,877</b>	<b>22,054,676</b>
<b>FUND BALANCE, JUNE 30</b>	<b>\$ 19,774,196</b>	<b>\$ 5,421,748</b>	<b>\$ -</b>	<b>\$ 15,887,271</b>	<b>\$ 41,083,215</b>	<b>\$ 30,159,877</b>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule C-3

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 27,137,788	\$ 22,615,671
Accounts receivable	9,474,396	5,214,839
Prepays	<u>9,734</u>	<u>19,630</u>
TOTAL ASSETS	\$ <u>36,621,918</u>	\$ <u>27,850,140</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 2,191,413	\$ 1,675,501
Accrued salaries and benefits	<u>14,656,309</u>	<u>13,744,111</u>
Total liabilities	<u>16,847,722</u>	<u>15,419,612</u>
FUND BALANCE:		
Reserved for:		
Prepays	9,734	19,630
Unreserved:		
Designated for net unrealized gains in investments	-	39,001
Undesignated	<u>19,764,462</u>	<u>12,371,897</u>
Total fund balance	<u>19,774,196</u>	<u>12,430,528</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>36,621,918</u>	\$ <u>27,850,140</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Distance learning tuition	\$ 160,000	\$ 380,348	\$ 220,348	\$ 387,598
Adult education	72,000	147,000	75,000	143,345
Professional development fees	97,424	203,362	105,938	227,760
Athletic proceeds	78,000	58,019	(19,981)	97,735
Donations and grants	4,682,246	3,070,538	(1,611,708)	4,120,909
Other local sources	3,445,000	3,132,390	(312,610)	3,120,598
Investment income:				
Net increase (decrease) in the fair value of investments	-	(15,312)	(15,312)	45,898
Interest income	225,000	143,018	(81,982)	109,252
Total local sources	8,759,670	7,119,363	(1,640,307)	8,253,095
State sources:				
State distributive fund	10,158,963	10,104,163	(54,800)	7,931,607
State special appropriations	92,180,718	97,622,062	5,441,344	84,424,621
Total state sources	102,339,681	107,726,225	5,386,544	92,356,228
TOTAL REVENUES	111,099,351	114,845,588	3,746,237	100,609,323
<u>EXPENDITURES:</u>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Salaries	67,041,349	65,967,402	1,073,947	60,393,544
Benefits	21,177,439	21,162,679	14,760	17,632,785
Purchased services	117,096	84,504	32,592	79,497
Supplies	3,897,151	4,239,171	(342,020)	3,337,931
Property	319,597	198,539	121,058	357,222
Other	22,898	21,953	945	14,903
Total instruction	92,575,530	91,674,248	901,282	81,815,882
Support services:				
Student transportation:				
Purchased services	87,574	34,271	53,303	24,482
Other support services:				
Salaries	65,149	211,173	(146,024)	165,880
Benefits	59,170	58,222	948	40,973
Purchased services	148,306	148,241	65	-
Supplies	218,368	221,609	(3,241)	140,502
Property	40,000	34,848	5,152	-
Other	2,500	2,242	258	21,988
Total other support services	533,493	676,335	(142,842)	369,343
Total support services	621,067	710,606	(89,539)	393,825
TOTAL REGULAR PROGRAMS	93,196,597	92,384,854	811,743	82,209,707

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
SPECIAL PROGRAMS:				
Instruction:				
Salaries	\$ 600,000	\$ 590,000	\$ 10,000	\$ 606,000
Supplies	1,535	437	1,098	15,000
Total instruction	601,535	590,437	11,098	621,000
Support services:				
Student transportation:				
Property	31,554	-	31,554	-
Other support services:				
Salaries	72,000	70,000	2,000	44,000
Purchased services	6,462	-	6,462	11,788
Supplies	6,494	4,914	1,580	18,507
Property	2,053	2,053	-	-
Other	12,272	12,130	142	8,678
Total other support services	99,281	89,097	10,184	82,973
Total support services	130,835	89,097	41,738	82,973
TOTAL SPECIAL PROGRAMS	732,370	679,534	52,836	703,973
VOCATIONAL PROGRAMS:				
Instruction:				
Salaries	-	-	-	34,000
Purchased services	1,000	93	907	1,707
Supplies	287,487	281,951	5,536	223,360
Property	233,550	49,613	183,937	70,568
TOTAL VOCATIONAL PROGRAMS	522,037	331,657	190,380	329,635
OTHER INSTRUCTIONAL PROGRAMS:				
School co-curricular activities:				
Instruction:				
Salaries	4,000	2,000	2,000	1,342
Supplies	2,000	1,000	1,000	-
Property	2,500	-	2,500	-
Other	3,158	3,051	107	-
Total instruction	11,658	6,051	5,607	1,342
Support services:				
Student transportation:				
Purchased services	1,359	-	1,359	-

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>EXPENDITURES - Continued:</b>				
Other support services:				
Salaries	\$ 247	\$ 167	\$ 80	\$ 303
Benefits	16	4	12	-
Purchased services	1,740	1,296	444	110
Supplies	1,000	476	524	-
Other	230	200	30	-
Total other support services	3,233	2,143	1,090	413
Total support services	4,592	2,143	2,449	413
Total school co-curricular activities	16,250	8,194	8,056	1,755
School athletics:				
Instruction:				
Salaries	-	-	-	17,812
Benefits	-	-	-	452
Purchased services	-	-	-	133,277
Supplies	-	-	-	23,608
Total instruction	-	-	-	175,149
Support services:				
Student transportation:				
Purchased services	-	-	-	27,468
Other support services:				
Other	-	-	-	10,495
Total support services	-	-	-	37,963
Total school athletics	-	-	-	213,112
TOTAL OTHER INSTRUCTIONAL PROGRAMS	16,250	8,194	8,056	214,867
ADULT EDUCATION PROGRAMS:				
Instruction:				
Salaries	3,745,585	3,741,681	3,904	3,088,817
Benefits	561,251	558,596	2,655	527,551
Purchased services	57,094	55,790	1,304	70,292
Supplies	764,576	767,541	(2,965)	551,011
Property	133,286	41,440	91,846	415,250
Other	5,517	971	4,546	1,880
Total instruction	5,267,309	5,166,019	101,290	4,654,801

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Support services:				
Salaries	\$ 2,155,686	\$ 2,066,442	\$ 89,244	\$ 1,923,572
Benefits	678,750	688,595	(9,845)	560,762
Purchased services	242,338	241,784	554	135,779
Supplies	1,303,340	1,297,279	6,061	62,178
Property	91,625	55,952	35,673	636,830
Other	2,516	973	1,543	24,946
Total support services	4,474,255	4,351,025	123,230	3,344,067
Student transportation:				
Purchased services	-	500	(500)	-
TOTAL ADULT EDUCATION PROGRAMS	9,741,564	9,517,544	224,020	7,998,868
UNDISTRIBUTED EXPENDITURES:				
Support services:				
Student support:				
Salaries	125,491	124,772	719	111,835
Benefits	11,205	11,200	5	10,505
Purchased services	56,135	37,346	18,789	16,883
Supplies	34,162	33,429	733	3,352
Other	7,285	946	6,339	-
Total student support	234,278	207,693	26,585	142,575
Instructional staff support:				
Salaries	2,335,909	2,335,839	70	3,166,840
Benefits	562,477	526,715	35,762	550,722
Purchased services	404,721	590,350	(185,629)	707,133
Supplies	363,663	654,740	(291,077)	933,098
Property	11,494	7,337	4,157	311,769
Other	531,271	576,671	(45,400)	1,026,974
Total instructional staff support	4,209,535	4,691,652	(482,117)	6,696,536
General administration:				
Salaries	1,398,843	1,176,625	222,218	1,317,369
Benefits	430,337	384,698	45,639	355,430
Purchased services	58,743	59,703	(960)	40,485
Supplies	37,107	36,704	403	136,815
Property	48,000	47,119	881	41,219
Other	18,304	5,134	13,170	16,966
Total general administration	1,991,334	1,709,983	281,351	1,908,284

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
School administration:				
Salaries	\$ 9,691	\$ (9,918)	\$ 19,609	\$ 6,457
Benefits	1,483	248	1,235	1,175
Purchased services	50,000	57,812	(7,812)	-
Total school administration	61,174	48,142	13,032	7,632
Business support:				
Other	639	417	222	-
Operation and maintenance of plant services:				
Salaries	14,005	323	13,682	314
Benefits	12	6	6	43
Supplies	14,645	14,202	443	45,753
Property	25,000	-	25,000	-
Total operation and maintenance of plant services	53,662	14,531	39,131	46,110
Student transportation:				
Purchased services	17,208	20,506	(3,298)	1,900
Central support:				
Salaries	18,750	-	18,750	8,370
Benefits	625	-	625	186
Purchased services	1,643	1,643	-	3,479
Supplies	6,326	6,239	87	9,818
Property	25,000	-	25,000	-
Other	11,720	1,692	10,028	1,539
Total central support	64,064	9,574	54,490	23,392
Other support:				
Salaries	2,000	137	1,863	1,103
Benefits	56,281	(67,885)	124,166	56,901
Purchased services	15,000	-	15,000	6,276
Supplies	2,318	-	2,318	-
Property	30,000	-	30,000	-
Other	555,406	551,077	4,329	319,066
Total other support	661,005	483,329	177,676	383,346
TOTAL UNDISTRIBUTED EXPENDITURES	7,292,899	7,185,827	107,072	9,209,775
TOTAL EXPENDITURES	111,501,717	110,107,610	1,394,107	100,666,825
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(402,366)	4,737,978	5,140,344	(57,502)

(Continued)



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - DISTRICT PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
OTHER FINANCING SOURCES (USES):				
Transfers in	\$ 2,849,433	\$ 2,605,690	\$ (243,743)	\$ 741,739
Transfers out	<u>(2,000,000)</u>	<u>-</u>	<u>2,000,000</u>	<u>-</u>
TOTAL OTHER FINANCING SOURCES (USES)	<u>849,433</u>	<u>2,605,690</u>	<u>1,756,257</u>	<u>741,739</u>
NET CHANGE IN FUND BALANCE	447,067	7,343,668	6,896,601	684,237
FUND BALANCE, JULY 1	<u>12,430,528</u>	<u>12,430,528</u>	<u>-</u>	<u>11,746,291</u>
FUND BALANCE, JUNE 30	<u>\$ 12,877,595</u>	<u>\$ 19,774,196</u>	<u>\$ 6,896,601</u>	<u>\$ 12,430,528</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - KLVX COMMUNICATIONS GROUP FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule C-5

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 5,585,774	\$ 4,164,121
Accounts receivable	182,254	275,627
Inventories	27,766	29,430
Prepays	-	94
	<u>                    </u>	<u>                    </u>
TOTAL ASSETS	\$ <u>5,795,794</u>	\$ <u>4,469,272</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 29,609	\$ 21,073
Accrued salaries and benefits	60,859	45,662
Deferred revenue	283,578	72,937
	<u>                    </u>	<u>                    </u>
Total liabilities	<u>374,046</u>	<u>139,672</u>
FUND BALANCE:		
Reserved for:		
Inventories	27,766	29,430
Prepays	-	94
Grants	922,757	1,877,472
Unreserved:		
Designated for net unrealized gains in investments	-	18,310
Undesignated	4,471,225	2,404,294
	<u>                    </u>	<u>                    </u>
Total fund balance	<u>5,421,748</u>	<u>4,329,600</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>5,795,794</u>	\$ <u>4,469,272</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - KLVX COMMUNICATIONS GROUP FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-6

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Donations and grants	\$ 3,710,248	\$ 3,048,048	\$ (662,200)	\$ 2,791,230
Other local sources	1,500,000	1,850,264	350,264	1,913,814
Investment income:				
Net increase (decrease) in the fair value of investments	-	(7,550)	(7,550)	21,547
Interest income	75,000	62,819	(12,181)	51,575
Total local sources	5,285,248	4,953,581	(331,667)	4,778,166
State sources:				
State special appropriations	-	235,750	235,750	147,631
TOTAL REVENUES	5,285,248	5,189,331	(95,917)	4,925,797
<u>EXPENDITURES:</u>				
Current:				
UNDISTRIBUTED EXPENDITURES:				
Educational media services:				
Salaries	1,530,087	1,209,597	320,490	1,264,046
Benefits	459,877	341,155	118,722	327,198
Purchased services	1,053,748	1,098,923	(45,175)	1,138,412
Supplies	953,042	1,217,179	(264,137)	1,100,733
Property	50,600	111,736	(61,136)	621,594
Other	159,350	118,593	40,757	109,160
Total educational media services	4,206,704	4,097,183	109,521	4,561,143
NET CHANGE IN FUND BALANCE	1,078,544	1,092,148	13,604	364,654
FUND BALANCE, JULY 1	4,329,600	4,329,600	-	3,964,946
FUND BALANCE, JUNE 30	\$ 5,408,144	\$ 5,421,748	\$ 13,604	\$ 4,329,600

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL PROJECTS FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule C-7

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 1,824,943	\$ 665,835
Accounts receivable	<u>16,568,673</u>	<u>9,195,145</u>
TOTAL ASSETS	\$ <u>18,393,616</u>	\$ <u>9,860,980</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 7,966,804	\$ 1,588,783
Accrued salaries and benefits	6,325,272	5,729,411
Deferred revenue	<u>4,101,540</u>	<u>2,542,786</u>
Total liabilities	<u>18,393,616</u>	<u>9,860,980</u>
FUND BALANCE:		
Undesignated	<u>-</u>	<u>-</u>
Total fund balance	<u>-</u>	<u>-</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>18,393,616</u>	\$ <u>9,860,980</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>REVENUES:</b>				
Improving America's Schools Act	\$ 50,934,922	\$ 44,237,235	\$ (6,697,687)	\$ 34,101,238
Education Handicapped Act	42,096,046	36,141,334	(5,954,712)	25,999,682
Vocational aid	2,928,481	3,084,355	155,874	2,468,401
Other federal sources	14,403,635	15,575,257	1,171,622	17,759,545
<b>TOTAL REVENUES</b>	<b>110,363,084</b>	<b>99,038,181</b>	<b>(11,324,903)</b>	<b>80,328,866</b>
<b>EXPENDITURES:</b>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Salaries	20,357,691	20,339,671	18,020	20,485,064
Benefits	5,823,881	5,823,904	(23)	5,691,657
Purchased services	3,163,590	235,385	2,928,205	198,076
Supplies	15,899,968	15,854,470	45,498	7,851,416
Property	1,342,848	1,332,624	10,224	1,693,562
Other	264,000	254,028	9,972	8,130
Total instruction	46,851,978	43,840,082	3,011,896	35,927,905
Support services:				
Student transportation:				
Purchased services	9,880	9,673	207	44,382
Other support services:				
Salaries	444,415	237,253	207,162	586,855
Benefits	144,319	79,341	64,978	172,047
Purchased services	19,509	9,263	10,246	8,980
Supplies	38,495	37,905	590	91,255
Total other support services	646,738	363,762	282,976	859,137
Total support services	656,618	373,435	283,183	903,519
<b>TOTAL REGULAR PROGRAMS</b>	<b>47,508,596</b>	<b>44,213,517</b>	<b>3,295,079</b>	<b>36,831,424</b>
SPECIAL PROGRAMS:				
Instruction:				
Salaries	7,932,729	7,658,032	274,697	7,979,138
Benefits	3,209,436	3,075,511	133,925	3,039,882
Purchased services	115,000	113,784	1,216	667,207
Supplies	1,389,505	1,389,093	412	1,423,017
Property	35,000	34,700	300	54,685
Other	5,000	5,000	-	4,923
Total instruction	12,686,670	12,276,120	410,550	13,168,852
Support Services:				
Student transportation:				
Purchased services	-	-	-	1,470

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>EXPENDITURES - Continued:</b>				
Other support services:				
Salaries	\$ 5,446,666	\$ 4,399,287	\$ 1,047,379	\$ 3,556,676
Benefits	2,057,129	1,300,313	756,816	1,329,911
Purchased services	5,726,533	5,741,252	(14,719)	3,441,611
Supplies	2,043,036	2,007,075	35,961	336,490
Property	101,452	98,377	3,075	68,587
Other	9,000	8,612	388	4,983
Total other support services	15,383,816	13,554,916	1,828,900	8,738,258
Total support services	15,383,816	13,554,916	1,828,900	8,739,728
TOTAL SPECIAL PROGRAMS	28,070,486	25,831,036	2,239,450	21,908,580
<b>VOCATIONAL PROGRAMS:</b>				
Instruction:				
Salaries	292,564	252,872	39,692	255,271
Benefits	101,022	100,928	94	92,526
Purchased services	26,000	13,824	12,176	11,320
Supplies	1,179,379	1,179,795	(416)	413,810
Property	108,529	107,086	1,443	484,941
Other	14,000	8,320	5,680	8,778
Total instruction	1,721,494	1,662,825	58,669	1,266,646
Support services:				
Student transportation:				
Purchased services	-	-	-	4,580
Other support services:				
Salaries	648,414	648,019	395	585,529
Benefits	186,627	176,253	10,374	163,554
Purchased services	126,772	128,476	(1,704)	87,653
Supplies	137,170	138,544	(1,374)	76,715
Property	8,290	8,176	114	76,566
Other	88,135	62,398	25,737	58,833
Total other support services	1,195,408	1,161,866	33,542	1,048,850
Total support services	1,195,408	1,161,866	33,542	1,053,430
TOTAL VOCATIONAL PROGRAMS	2,916,902	2,824,691	92,211	2,320,076
<b>OTHER INSTRUCTIONAL PROGRAMS:</b>				
Summer school:				
Support services:				
Salaries	200	153	47	10,610
Benefits	16	2	14	242
TOTAL OTHER INSTRUCTIONAL PROGRAMS	216	155	61	10,852

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued</u>				
UNDISTRIBUTED EXPENDITURES:				
Support services:				
Student support:				
Salaries	\$ 800,891	\$ 665,265	\$ 135,626	\$ 499,691
Benefits	227,250	183,005	44,245	125,839
Purchased services	167,951	135,411	32,540	127,518
Supplies	155,610	152,940	2,670	297,793
Property	60,000	6,289	53,711	1,797
Other	239,380	234,530	4,850	124,235
Total student support	1,651,082	1,377,440	273,642	1,176,873
Instructional staff support:				
Salaries	2,886,702	2,882,945	3,757	2,303,599
Benefits	1,897,931	1,635,493	262,438	1,100,110
Purchased services	4,505,518	3,940,900	564,618	2,715,070
Supplies	1,188,365	1,020,764	167,601	1,286,794
Property	37,000	(71,509)	108,509	611,546
Other	361,634	332,931	28,703	221,179
Total instructional staff support	10,877,150	9,741,524	1,135,626	8,238,298
General administration:				
Salaries	7,192,289	5,139,102	2,053,187	3,555,673
Benefits	2,709,882	1,611,461	1,098,421	1,112,377
Purchased services	1,012,270	1,008,060	4,210	748,205
Supplies	690,635	684,430	6,205	729,342
Property	101,592	94,776	6,816	447,268
Other	69,986	66,567	3,419	5,492
Total general administration	11,776,654	8,604,396	3,172,258	6,598,357
Business support:				
Salaries	74,961	40,928	34,033	38,953
Benefits	24,678	13,296	11,382	12,129
Total business support	99,639	54,224	45,415	51,082
Operation and maintenance of plant services:				
Salaries	1,063,209	916,602	146,607	234,269
Benefits	385,646	383,401	2,245	84,237
Purchased services	1,840,000	1,835,200	4,800	899,963
Total operation and maintenance of plant services	3,288,855	3,135,203	153,652	1,218,469
Student transportation:				
Purchased services	287,252	121,357	165,895	54,008
Property	70,000	66,174	3,826	43,816
Total student transportation	357,252	187,531	169,721	97,824

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - FEDERAL PROJECTS FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Central support:				
Salaries	\$ 797,285	\$ 355,721	\$ 441,564	\$ 5,906
Benefits	159,050	101,548	57,502	2,169
Purchased services	313,250	180,797	132,453	20,940
Supplies	1,460	856	604	1,424
Other	117,455	14,040	103,415	15,846
Total central support	1,388,500	652,962	735,538	46,285
Other support:				
Salaries	1,000	45	955	-
Supplies	14,000	12,061	1,939	194
Other	2,406,752	2,403,396	3,356	1,830,552
Total other support	2,421,752	2,415,502	6,250	1,830,746
Facilities acquisition and construction services:				
Purchased services	6,000	-	6,000	-
TOTAL UNDISTRIBUTED EXPENDITURES	31,866,884	26,168,782	5,698,102	19,257,934
TOTAL EXPENDITURES	110,363,084	99,038,181	11,324,903	80,328,866
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	-	-	-	-
NET CHANGE IN FUND BALANCE	-	-	-	-
FUND BALANCE, JULY 1	-	-	-	-
FUND BALANCE, JUNE 30	\$ -	\$ -	\$ -	\$ -



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - MEDICAID FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule C-9

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 13,698,936	\$ 9,970,360
Accounts receivable	4,739,209	3,633,812
Prepays	<u>7,750</u>	<u>360</u>
TOTAL ASSETS	<u>\$ 18,445,895</u>	<u>\$ 13,604,532</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 716,039	\$ 197,108
Accrued salaries and benefits	42,000	7,675
Deferred revenue	<u>1,800,585</u>	<u>-</u>
Total liabilities	<u>2,558,624</u>	<u>204,783</u>
FUND BALANCE:		
Reserved for:		
Prepays	7,750	360
Unreserved:		
Undesignated	<u>15,879,521</u>	<u>13,399,389</u>
Total fund balance	<u>15,887,271</u>	<u>13,399,749</u>
TOTAL LIABILITIES AND FUND BALANCE	<u>\$ 18,445,895</u>	<u>\$ 13,604,532</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - MEDICAID FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-10

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>REVENUES:</b>				
Local sources:				
Other local sources	\$ 1,500	\$ 7,168	\$ 5,668	\$ 2,730
Federal sources:				
Third-party billing	5,100,000	2,336,249	(2,763,751)	5,166,225
Administrative claiming	4,800,000	6,612,914	1,812,914	5,847,572
Total federal sources	9,900,000	8,949,163	(950,837)	11,013,797
TOTAL REVENUES	9,901,500	8,956,331	(945,169)	11,016,527
<b>EXPENDITURES:</b>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Salaries	160,000	132,903	27,097	31,575
Benefits	8,230	3,189	5,041	660
Purchased services	140,000	139,117	883	9,640
Supplies	1,450,000	1,318,681	131,319	1,083,797
Property	230,000	225,615	4,385	299,818
Other	40,000	25,996	14,004	1,714
Total instruction	2,028,230	1,845,501	182,729	1,427,204
Support services:				
Student transportation:				
Purchased services	40,000	29,352	10,648	6,012
Other support services:				
Salaries	2,500	102	2,398	-
Benefits	205	2	203	-
Purchased services	758,000	747,721	10,279	465,447
Supplies	95,000	77,556	17,444	11,081
Property	10,000	9,182	818	-
Total other support services	865,705	834,563	31,142	476,528
Total support services	905,705	863,915	41,790	482,540
TOTAL REGULAR PROGRAMS	2,933,935	2,709,416	224,519	1,909,744
SPECIAL PROGRAMS:				
Instruction:				
Salaries	1,338,000	14,595	1,323,405	17,372
Benefits	304,224	669	303,555	172
Supplies	455,500	454,500	1,000	336,811
Property	582,500	262,501	319,999	452,260
Other	10,000	9,747	253	7,392
Total instruction	2,690,224	742,012	1,948,212	814,007

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - MEDICAID FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-10

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Support services:				
Student transportation:				
Salaries	\$ 1,300,000	\$ -	\$ 1,300,000	\$ -
Benefits	386,263	-	386,263	-
Total student transportation	1,686,263	-	1,686,263	-
Other support services:				
Salaries	45,000	-	45,000	-
Benefits	20,322	-	20,322	-
Purchased services	2,564,650	2,325,461	239,189	1,037,662
Supplies	782,960	93,994	688,966	-
Total other support services	3,412,932	2,419,455	993,477	1,037,662
Total support services	5,099,195	2,419,455	2,679,740	1,037,662
TOTAL SPECIAL PROGRAMS	7,789,419	3,161,467	4,627,952	1,851,669
OTHER INSTRUCTIONAL PROGRAMS:				
School co-curricular activities:				
Instruction:				
Property	14,000	12,026	1,974	-
UNDISTRIBUTED EXPENDITURES:				
Student support:				
Supplies	500	210	290	-
General administration:				
Salaries	125,000	15,315	109,685	21,453
Benefits	34,426	851	33,575	387
Purchased services	375,000	59,505	315,495	14,209
Supplies	975,000	65,632	909,368	89,058
Property	50,000	21,123	28,877	-
Other	25,000	23,784	1,216	12,709
Total general administration	1,584,426	186,210	1,398,216	137,816
School administration:				
Salaries	200,000	175,426	24,574	-
Benefits	35,000	23,845	11,155	-
Purchased services	40,000	26,470	13,530	-
Supplies	70,000	53,001	16,999	-
Total	345,000	278,742	66,258	-
Business support:				
Salaries	92,693	84,453	8,240	40,842
Benefits	27,213	23,746	3,467	12,263
Total business support	119,906	108,199	11,707	53,105

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR SPECIAL REVENUE FUNDS - MEDICAID FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule C-10

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Operation and maintenance of plant services:				
Purchased services	\$ 2,000	\$ 1,479	\$ 521	\$ -
Supplies	5,000	4,126	874	-
Total	7,000	5,605	1,395	-
Central support:				
Salaries	2,500	-	2,500	-
Purchased services	103,000	3,701	99,299	1,220
Supplies	1,500,000	3,233	1,496,767	2,174
Property	20,000	-	20,000	4,306
Other	15,000	-	15,000	185
Total central support	1,640,500	6,934	1,633,566	7,885
TOTAL UNDISTRIBUTED EXPENDITURES	3,697,332	585,900	3,111,432	198,806
TOTAL EXPENDITURES	14,434,686	6,468,809	7,965,877	3,960,219
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	(4,533,186)	2,487,522	7,020,708	7,056,308
NET CHANGE IN FUND BALANCE	(4,533,186)	2,487,522	7,020,708	7,056,308
FUND BALANCE, JULY 1	13,399,749	13,399,749	-	6,343,441
FUND BALANCE, JUNE 30	\$ 8,866,563	\$ 15,887,271	\$ 7,020,708	\$ 13,399,749

# NONMAJOR CAPITAL PROJECTS FUNDS

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## BUILDING AND SITE FUND

To account for the costs of construction, purchases, modernization, or furnishing of school buildings or sites as specified in NRS 387.335 or successor statutes.

## GOVERNMENTAL SERVICES TAX FUND

To account for the capital projects paid with Governmental Services Taxes.

## EXTRAORDINARY MAINTENANCE AND CAPITAL REPLACEMENT FUND

To account for the costs of capital projects that maintain District facilities and equipment in a fit operating condition.

## TAX FUND

To account for the costs of capital projects undertaken with proceeds of ad valorem and other taxes of assessments received under NRS 387.3285, 387.3287, 387.33, and predecessor or successor statutes.



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING BALANCE SHEETS  
JUNE 30, 2004  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2003)

Schedule D-1

	Building and Sites Fund	Governmental Services Tax Fund	Extraordinary Maintenance and Capital Replacement Fund	Tax Fund	TOTALS	
					2004	2003
<u>ASSETS</u>						
Pooled cash and investments	\$ 9,059,343	\$ 6,652,122	\$ 6,691,506	\$ 4,223,104	\$ 26,626,075	\$ 20,948,930
Accounts receivable	-	2,056,409	-	-	2,056,409	1,724,086
Prepays	8,377	-	-	-	8,377	3,306
TOTAL ASSETS	\$ 9,067,720	\$ 8,708,531	\$ 6,691,506	\$ 4,223,104	\$ 28,690,861	\$ 22,676,322
<u>LIABILITIES AND FUND BALANCES</u>						
LIABILITIES:						
Accounts payable	\$ 98,167	\$ 928,336	\$ -	\$ -	\$ 1,026,503	\$ 581,446
Accrued salaries and benefits	-	255,941	-	-	255,941	199,072
Deposit payable	1,000,000	-	-	-	1,000,000	-
Construction contracts and retentions payable	500	504,231	-	-	504,731	63,966
Total liabilities	1,098,667	1,688,508	-	-	2,787,175	844,484
FUND BALANCE:						
Reserved for:						
Prepays	8,377	-	-	-	8,377	3,306
Unreserved:						
Designated for:						
Net unrealized gains in investments	-	-	-	-	-	97,356
Capital replacements	-	-	6,691,506	-	6,691,506	6,644,613
Capital improvements	7,960,676	7,020,023	-	4,223,104	19,203,803	15,086,563
Total fund balances	7,969,053	7,020,023	6,691,506	4,223,104	25,903,686	21,831,838
TOTAL LIABILITIES AND FUND BALANCES	\$ 9,067,720	\$ 8,708,531	\$ 6,691,506	\$ 4,223,104	\$ 28,690,861	\$ 22,676,322

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-2

	Building and Sites Fund	Governmental Services Tax Fund	Extraordinary Maintenance and Capital Replacement Fund	Tax Fund	TOTALS	
					2004	2003
<b>REVENUES:</b>						
Local sources	\$ 93,289	\$ 22,046,535	\$ 71,789	\$ 44,927	\$ 22,256,540	\$ 19,619,648
Other sources	3,525,886	666	-	-	3,526,552	4,371,281
<b>TOTAL REVENUES</b>	<b>3,619,175</b>	<b>22,047,201</b>	<b>71,789</b>	<b>44,927</b>	<b>25,783,092</b>	<b>23,990,929</b>
<b>EXPENDITURES:</b>						
Current:						
Instruction:						
Regular instruction	-	613,278	58,490	-	671,768	5,499,637
Support services:						
Instructional staff support	-	-	-	-	-	902
Business support	-	3,831	-	-	3,831	1,291
Operation and maintenance of plant services	115,220	4,753	-	-	119,973	587,764
Student transportation	-	-	-	-	-	10,051,873
Central support	-	702	-	-	702	1,253
Capital outlay:	560,405	22,710,525	-	144,040	23,414,970	28,626,437
Debt service:						
Principal	-	-	-	-	-	1,937,622
Interest	-	-	-	-	-	69,089
<b>TOTAL EXPENDITURES</b>	<b>675,625</b>	<b>23,333,089</b>	<b>58,490</b>	<b>144,040</b>	<b>24,211,244</b>	<b>46,775,868</b>
<b>EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES</b>	<b>2,943,550</b>	<b>(1,285,888)</b>	<b>13,299</b>	<b>(99,113)</b>	<b>1,571,848</b>	<b>(22,784,939)</b>
<b>OTHER FINANCING SOURCES:</b>						
Transfers in	-	2,500,000	-	-	2,500,000	18,291,196
<b>NET CHANGE IN FUND BALANCES</b>	<b>2,943,550</b>	<b>1,214,112</b>	<b>13,299</b>	<b>(99,113)</b>	<b>4,071,848</b>	<b>(4,493,743)</b>
<b>FUND BALANCES, JULY 1</b>	<b>5,025,503</b>	<b>5,805,911</b>	<b>6,678,207</b>	<b>4,322,217</b>	<b>21,831,838</b>	<b>26,325,581</b>
<b>FUND BALANCES, JUNE 30</b>	<b>\$ 7,969,053</b>	<b>\$ 7,020,023</b>	<b>\$ 6,691,506</b>	<b>\$ 4,223,104</b>	<b>\$ 25,903,686</b>	<b>\$ 21,831,838</b>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - BUILDING AND SITES FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule D-3

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 9,059,343	\$ 5,084,239
Prepays	<u>8,377</u>	<u>-</u>
TOTAL ASSETS	\$ <u>9,067,720</u>	\$ <u>5,084,239</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 98,167	\$ 43,267
Construction contracts and retentions payable	500	15,469
Deposits payable	<u>1,000,000</u>	<u>-</u>
Total liabilities	<u>1,098,667</u>	<u>58,736</u>
FUND BALANCE:		
Reserved for prepaids	8,377	-
Unreserved:		
Designated for:		
Net unrealized gains on investments	-	14,341
Capital improvements	<u>7,960,676</u>	<u>5,011,162</u>
Total fund balance	<u>7,969,053</u>	<u>5,025,503</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>9,067,720</u>	\$ <u>5,084,239</u>



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - BUILDING AND SITES FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>REVENUES:</b>				
Local sources:				
Investment income:				
Net inc/(dec) in the fair value of investments	\$ -	\$ (13,057)	\$ (13,057)	\$ 16,877
Interest income	33,137	106,346	73,209	39,068
Total local sources	33,137	93,289	60,152	55,945
Other sources:				
Sales of district property	-	3,525,886	3,525,886	4,371,281
TOTAL REVENUES	33,137	3,619,175	3,586,038	4,427,226
<b>EXPENDITURES:</b>				
Current:				
REGULAR PROGRAMS:				
Support services:				
Supplies	-	-	-	902
UNDISTRIBUTED EXPENDITURES:				
Operation and maintenance of plant services:				
Purchased services	125,000	115,220	9,780	24,886
Capital outlay:				
Facilities acquisition and construction services:				
Land acquisition services:				
Purchased services	35,000	32,702	2,298	40,270
Property	315,000	310,897	4,103	-
Total land acquisition services	350,000	343,599	6,401	40,270
Site improvements:				
Purchased services	-	-	-	25,387
Supplies	5,000	-	5,000	-
Property	205,000	172,831	32,169	666,701
Total site improvements	210,000	172,831	37,169	692,088
Building acquisition and construction:				
Salaries	-	-	-	1,215
Benefits	-	-	-	65
Purchased services	5,000	2,720	2,280	-
Supplies	2,500	229	2,271	-
Total building acquisition and construction	7,500	2,949	4,551	1,280
Building improvements:				
Purchased services	7,500	5,342	2,158	17,859

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - BUILDING AND SITES FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-4

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Other facilities acquisition and construction:				
Purchased services	\$ 40,000	\$ 35,684	\$ 4,316	\$ 480,318
Total facilities acquisition and construction services	615,000	560,405	54,595	1,231,815
TOTAL UNDISTRIBUTED EXPENDITURES	740,000	675,625	64,375	1,256,701
TOTAL EXPENDITURES	740,000	675,625	64,375	1,257,603
NET CHANGE IN FUND BALANCE	(706,863)	2,943,550	3,650,413	3,169,623
FUND BALANCE, JULY 1	5,025,503	5,025,503	-	1,855,880
FUND BALANCE, JUNE 30	\$ 4,318,640	\$ 7,969,053	\$ 3,650,413	\$ 5,025,503

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - GOVERNMENTAL SERVICES TAX FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule D-5

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ 6,652,122	\$ 4,852,837
Accounts receivable	2,056,409	1,724,086
Prepays	<u>-</u>	<u>3,306</u>
TOTAL ASSETS	\$ <u>8,708,531</u>	\$ <u>6,580,229</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ 928,336	\$ 526,749
Accrued salaries and benefits	255,941	199,072
Construction contracts and retentions payable	<u>504,231</u>	<u>48,497</u>
Total liabilities	<u>1,688,508</u>	<u>774,318</u>
FUND BALANCE:		
Reserved for:		
Prepays	-	3,306
Unreserved:		
Designated for:		
Net unrealized gains in investments	-	27,717
Capital improvements	<u>7,020,023</u>	<u>5,774,888</u>
Total fund balance	<u>7,020,023</u>	<u>5,805,911</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>8,708,531</u>	\$ <u>6,580,229</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - GOVERNMENTAL SERVICES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-6

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b>REVENUES:</b>				
Local sources:				
Governmental services tax	\$ 20,638,920	\$ 21,976,945	\$ 1,338,025	\$ 19,379,268
Other local sources	-	1,256	1,256	630
Investment income:				
Net increase/(decrease) in the fair value of investments	-	(11,111)	(11,111)	23,024
Interest income	102,225	79,445	(22,780)	-
Total local sources	20,741,145	22,046,535	1,305,390	19,402,922
Other sources:				
Sales of district property	-	666	666	-
TOTAL REVENUES	20,741,145	22,047,201	1,306,056	19,402,922
<b>EXPENDITURES:</b>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Purchased services	25,000	21,600	3,400	-
Supplies	5,000	3,412	1,588	60,580
Property	600,000	588,266	11,734	753,735
TOTAL REGULAR PROGRAMS	630,000	613,278	16,722	814,315
UNDISTRIBUTED EXPENDITURES:				
Support services:				
Business support:				
Other	4,000	3,831	169	1,291
Operation and maintenance of plant services:				
Purchased services	5,000	4,753	247	16,380
Property	-	-	-	546,498
Total operation and maintenance of plant services	5,000	4,753	247	562,878
Central support:				
Purchased services	1,500	702	798	1,253
Capital outlay:				
Facilities acquisition and construction services:				
Land acquisition services:				
Property	-	-	-	5,350,321
Site improvements:				
Salaries	250,000	160,166	89,834	-
Benefits	84,619	55,105	29,514	-
Purchased services	2,100,000	2,051,470	48,530	1,929,268
Supplies	75,000	56,995	18,005	23,512
Total site improvements	2,509,619	2,323,736	185,883	1,952,780
Architecture and engineering:				
Purchased services	100,000	66,996	33,004	266,404

(Continued)

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - GOVERNMENTAL SERVICES TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-6

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>EXPENDITURES - Continued:</u>				
Building acquisition and construction:				
Salaries	\$ 250,000	\$ 205,498	\$ 44,502	\$ 3,952
Benefits	-	19,740	(19,740)	632
Purchased services	500,000	275,726	224,274	307,600
Supplies	200,000	193,386	6,614	785
Property	-	-	-	1,245,562
Total building acquisition and construction	950,000	694,350	255,650	1,558,531
Building improvements:				
Salaries	6,090,000	6,067,215	22,785	6,677,519
Benefits	1,382,581	1,374,724	7,857	1,358,662
Purchased services	7,527,500	7,082,636	444,864	5,367,000
Supplies	3,302,500	3,298,003	4,497	2,994,191
Property	1,571,885	1,449,729	122,156	1,341,559
Other	20,000	70	19,930	165
Total building improvements	19,894,466	19,272,377	622,089	17,739,096
Other facilities acquisition and construction:				
Salaries	200,000	138,830	61,170	148,238
Benefits	313,415	25,705	287,710	28,950
Purchased services	-	9,557	(9,557)	63,624
Supplies	100,000	8,970	91,030	3,614
Property	200,000	170,004	29,996	283,064
Other	2,500	-	2,500	-
Total other facilities acquisition and construction	815,915	353,066	462,849	527,490
Total facilities acquisition and construction services	24,270,000	22,710,525	1,559,475	27,394,622
TOTAL UNDISTRIBUTED EXPENDITURES	24,280,500	22,719,811	1,560,689	27,960,044
TOTAL EXPENDITURES	24,910,500	23,333,089	1,577,411	28,774,359
DEFICIENCY OF REVENUES UNDER EXPENDITURES	(4,169,355)	(1,285,888)	2,883,467	(9,371,437)
OTHER FINANCING SOURCES:				
Transfers in	-	2,500,000	2,500,000	3,000,000
NET CHANGE IN FUND BALANCE	(4,169,355)	1,214,112	5,383,467	(6,371,437)
FUND BALANCE, JULY 1	5,805,911	5,805,911	-	12,177,348
FUND BALANCE, JUNE 30	\$ 1,636,556	\$ 7,020,023	\$ 5,383,467	\$ 5,805,911

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - EXTRAORDINARY MAINTENANCE AND CAPITAL  
REPLACEMENT FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule D-7

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ <u>6,691,506</u>	\$ <u>6,689,637</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts payable	\$ <u>-</u>	\$ <u>11,430</u>
Total liabilities	<u>-</u>	<u>11,430</u>
FUND BALANCE:		
Reserved for:		
Unreserved:		
Designated for:		
Net unrealized gains in investments	-	33,594
Capital replacement	<u>6,691,506</u>	<u>6,644,613</u>
Total fund balance	<u>6,691,506</u>	<u>6,678,207</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>6,691,506</u>	\$ <u>6,689,637</u>

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - EXTRAORDINARY MAINTENANCE AND CAPITAL REPLACEMENT FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-8

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Investment income:				
Net inc/(dec) in the fair value of investments	\$ -	\$ (12,207)	\$ (12,207)	\$ 39,534
Interest income	114,644	83,996	(30,648)	42,035
TOTAL REVENUES	114,644	71,789	(42,855)	81,569
<u>EXPENDITURES:</u>				
Current:				
REGULAR PROGRAMS:				
Instruction:				
Supplies	-	-	-	2,503,765
Property	60,000	58,490	1,510	2,181,557
TOTAL REGULAR PROGRAMS	60,000	58,490	1,510	4,685,322
UNDISTRIBUTED EXPENDITURES:				
Support services:				
Student transportation:				
Property	-	-	-	10,051,873
Debt service:				
Principal	-	-	-	1,937,622
Interest	-	-	-	69,089
Total debt service	-	-	-	2,006,711
TOTAL UNDISTRIBUTED EXPENDITURES	-	-	-	12,058,584
TOTAL EXPENDITURES	60,000	58,490	1,510	16,743,906
EXCESS (DEFICIENCY) OF REVENUES OVER (UNDER) EXPENDITURES	54,644	13,299	(41,345)	(16,662,337)
OTHER FINANCING SOURCES:				
Transfers in	-	-	-	15,291,196
NET CHANGE IN FUND BALANCE	54,644	13,299	(41,345)	(1,371,141)
FUND BALANCE, JULY 1	6,678,207	6,678,207	-	8,049,348
FUND BALANCE, JUNE 30	\$ 6,732,851	\$ 6,691,506	\$ (41,345)	\$ 6,678,207

CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - TAX FUND  
COMPARATIVE BALANCE SHEETS  
JUNE 30, 2004 AND 2003

Schedule D-9

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Pooled cash and investments	\$ <u>4,223,104</u>	\$ <u>4,322,217</u>
<u>LIABILITIES AND FUND BALANCE</u>		
FUND BALANCE:		
Unreserved:		
Designated for:		
Net unrealized gains in investments	-	21,704
Capital improvements	<u>4,223,104</u>	<u>4,300,513</u>
Total fund balance	<u>4,223,104</u>	<u>4,322,217</u>
TOTAL LIABILITIES AND FUND BALANCE	\$ <u>4,223,104</u>	\$ <u>4,322,217</u>



CLARK COUNTY SCHOOL DISTRICT  
NONMAJOR CAPITAL PROJECTS FUNDS - TAX FUND  
SCHEDULE OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule D-10

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<u>REVENUES:</u>				
Local sources:				
Investment income:				
Net inc/(dec) in the fair value of investments	\$ -	\$ (7,694)	\$ (7,694)	\$ 25,542
Interest income	74,067	52,621	(21,446)	53,670
TOTAL REVENUES	74,067	44,927	(29,140)	79,212
<u>EXPENDITURES:</u>				
UNDISTRIBUTED EXPENDITURES:				
Facilities acquisition and construction services:				
Land acquisition services:				
Purchased services	5,000	3,800	1,200	-
Property	145,000	140,240	4,760	-
TOTAL EXPENDITURES	150,000	144,040	5,960	-
NET CHANGE IN FUND BALANCE	(75,933)	(99,113)	(23,180)	79,212
FUND BALANCE, JULY 1	4,322,217	4,322,217	-	4,243,005
FUND BALANCE, JUNE 30	\$ 4,246,284	\$ 4,223,104	\$ (23,180)	\$ 4,322,217

# NONMAJOR ENTERPRISE FUND

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## FOOD SERVICE FUND

To account for transactions relating to the food services provided to schools and other locations. Financing is provided by user charges and federal subsidies.



CLARK COUNTY SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
COMPARATIVE SCHEDULE OF NET ASSETS  
JUNE 30, 2004 AND 2003

Schedule E-1

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Current assets:		
Pooled cash and investments	\$ 26,549,812	\$ 21,537,666
Accounts receivable	2,310,358	1,643,108
Inventories	5,128,237	4,850,667
Prepays	12,475	-
Noncurrent assets:		
Capital assets, net of accumulated depreciation	<u>4,873,892</u>	<u>4,864,907</u>
TOTAL ASSETS	<u>38,874,774</u>	<u>32,896,348</u>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	656,044	401,592
Accrued salaries and benefits	542,802	396,115
Compensated absences liability - current	192,233	271,362
Noncurrent liabilities:		
Compensated absences liability	<u>317,734</u>	<u>227,438</u>
TOTAL LIABILITIES	<u>1,708,813</u>	<u>1,296,507</u>
<u>NET ASSETS</u>		
Invested in capital assets, net of related debt	4,873,892	4,864,907
Unrestricted	<u>32,292,069</u>	<u>26,734,934</u>
TOTAL NET ASSETS	<u>\$ 37,165,961</u>	<u>\$ 31,599,841</u>

CLARK COUNTY SCHOOL DISTRICT  
FOOD SERVICE ENTERPRISE FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule E-2

	2004			2003
	Budget	Actual	Variance- Positive (Negative)	Actual
<b><u>OPERATING REVENUES:</u></b>				
Daily food sales	\$ 24,536,421	\$ 24,191,996	\$ (344,425)	\$ 22,592,995
Catering sales	988,049	1,073,869	85,820	940,427
TOTAL OPERATING REVENUES	25,524,470	25,265,865	(258,605)	23,533,422
<b><u>OPERATING EXPENSES:</u></b>				
Food and supplies	27,369,013	27,712,357	(343,344)	23,525,641
Salaries	18,257,487	18,163,153	94,334	16,675,800
Benefits	7,229,096	6,007,065	1,222,031	5,050,087
Purchased services	3,714,620	1,917,755	1,796,865	2,009,382
Property	970,922	638,359	332,563	652,736
Depreciation	550,000	581,209	(31,209)	529,466
Other	28,600	18,465	10,135	16,249
TOTAL OPERATING EXPENSES	58,119,738	55,038,363	3,081,375	48,459,361
OPERATING LOSS	(32,595,268)	(29,772,498)	2,822,770	(24,925,939)
<b><u>NON-OPERATING REVENUES (EXPENSES):</u></b>				
Federal subsidies	30,620,388	31,990,800	1,370,412	28,233,530
Commodity revenue	2,572,000	2,791,405	219,405	2,732,299
State matching funds	-	-	-	48,254
Loss on disposal of asset	(30,000)	(29,343)	657	(225,539)
Other revenue	15,000	4,837	(10,163)	18,497
Investment income:				
Net inc/(dec) in the fair value of investments	(42,000)	(41,350)	650	108,774
Interest income	485,000	300,906	(184,094)	275,593
TOTAL NON-OPERATING REVENUES (EXPENSES)	33,620,388	35,017,255	1,396,867	31,191,408
CHANGE IN NET ASSETS BEFORE TRANSFERS	1,025,120	5,244,757	4,219,637	6,265,469
Transfers in	925,000	321,363	(603,637)	601,651
CHANGE IN NET ASSETS	1,950,120	5,566,120	3,616,000	6,867,120
NET ASSETS, JULY 1	31,599,841	31,599,841	-	24,732,721
NET ASSETS, JUNE 30	\$ 33,549,961	\$ 37,165,961	\$ 3,616,000	\$ 31,599,841

# INTERNAL SERVICE FUNDS

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## INSURANCE AND RISK MANAGEMENT FUND

To account for transactions relating to insurance and risk management services provided to other departments of the District on a reimbursement basis.

## GRAPHIC ART PRODUCTIONS FUND

To account for transactions relating to printing services provided to other departments of the District on a cost reimbursement basis.



CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING SCHEDULE OF NET ASSETS  
JUNE 30, 2004  
(WITH COMPARATIVE TOTALS FOR JUNE 30, 2003)

Schedule F-1

	Insurance and Risk Management Fund	Graphic Arts Production Fund	Totals	
			2004	2003
<u>ASSETS</u>				
Current assets:				
Pooled cash and investments	\$ 30,084,664	\$ 401,738	\$ 30,486,402	\$ 28,344,747
Accounts receivable	137,064	178	137,242	49,093
Inventories	-	252,055	252,055	263,557
Prepays	9,223	594	9,817	12,564
Noncurrent assets:				
Restricted pooled cash and investments:				
Certificate of deposit for self-insurance	5,666,000	-	5,666,000	5,334,000
Capital assets, net of accumulated depreciation	256,448	159,700	416,148	455,765
TOTAL ASSETS	36,153,399	814,265	36,967,664	34,459,726
<u>LIABILITIES</u>				
Current liabilities:				
Accounts payable	218,513	128,487	347,000	308,001
Accrued salaries and benefits	24,656	43,915	68,571	64,577
Liability insurance claims payable	13,740,103	-	13,740,103	11,111,843
Workers compensation claims payable	12,062,978	-	12,062,978	11,379,711
Compensated absences liability - current	37,137	45,312	82,449	86,900
Noncurrent liabilities:				
Compensated absences liability	30,066	-	30,066	5,442
TOTAL LIABILITIES	26,113,453	217,714	26,331,167	22,956,474
<u>NET ASSETS</u>				
Invested in capital assets, net of related debt	256,448	159,700	416,148	455,765
Restricted for certificate of deposit for self-insurance	5,666,000	-	5,666,000	5,334,000
Unrestricted	4,117,498	436,851	4,554,349	5,713,487
TOTAL NET ASSETS	\$ 10,039,946	\$ 596,551	\$ 10,636,497	\$ 11,503,252

CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule F-2

	Insurance and Risk Management Fund	Graphic Arts Production Fund	Totals	
			2004	2003
<b>OPERATING REVENUES:</b>				
Graphic production sales	\$ -	\$ 3,394,128	\$ 3,394,128	\$ 3,733,118
Insurance premiums	12,984,343	-	12,984,343	13,989,034
Subrogation claims	101,870	-	101,870	247,696
<b>TOTAL OPERATING REVENUES</b>	<b>13,086,213</b>	<b>3,394,128</b>	<b>16,480,341</b>	<b>17,969,848</b>
<b>OPERATING EXPENSES:</b>				
Salaries	724,605	775,995	1,500,600	1,437,084
Benefits	235,356	220,349	455,705	397,009
Purchased services	4,020,214	1,553,100	5,573,314	5,717,687
Supplies	14,836	718,203	733,039	792,114
Property	2,346	1,337	3,683	68,549
Insurance claims	9,425,817	-	9,425,817	8,416,015
Depreciation	19,888	38,347	58,235	77,452
Other expenses	4,608	-	4,608	3,218
<b>TOTAL OPERATING EXPENSES</b>	<b>14,447,670</b>	<b>3,307,331</b>	<b>17,755,001</b>	<b>16,909,128</b>
<b>OPERATING INCOME (LOSS)</b>	<b>(1,361,457)</b>	<b>86,797</b>	<b>(1,274,660)</b>	<b>1,060,720</b>
<b>NON-OPERATING REVENUES (EXPENSES):</b>				
Loss on disposal of assets	-	(33,444)	(33,444)	(50,676)
Investment income:				
Net inc/(dec) in the fair value of investments	(52,071)	(728)	(52,799)	146,682
Interest income	457,718	5,097	462,815	473,259
<b>TOTAL NON-OPERATING REVENUES (EXPENSES)</b>	<b>405,647</b>	<b>(29,075)</b>	<b>376,572</b>	<b>569,265</b>
<b>CHANGE IN NET ASSETS BEFORE TRANSFERS</b>	<b>(955,810)</b>	<b>57,722</b>	<b>(898,088)</b>	<b>1,629,985</b>
Transfers in	14,995	16,338	31,333	6,000
<b>CHANGE IN NET ASSETS</b>	<b>(940,815)</b>	<b>74,060</b>	<b>(866,755)</b>	<b>1,635,985</b>
<b>NET ASSETS, JULY 1</b>	<b>10,980,761</b>	<b>522,491</b>	<b>11,503,252</b>	<b>9,867,267</b>
<b>NET ASSETS, JUNE 30</b>	<b>\$ 10,039,946</b>	<b>\$ 596,551</b>	<b>\$ 10,636,497</b>	<b>\$ 11,503,252</b>

CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS  
COMBINING SCHEDULE OF CASH FLOWS  
FOR THE YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE TOTALS FOR THE YEAR ENDED JUNE 30, 2003)

Schedule F-3

	Insurance And Risk Management	Graphic Productions	Totals	
			2004	2003
<b>Cash flows from operating activities:</b>				
Cash received from customers	\$ 12,984,343	\$ 3,394,161	\$ 16,378,504	\$ 17,785,384
Cash received from other operating sources	101,656	-	101,656	247,696
Cash paid for services and supplies	(4,118,892)	(2,214,552)	(6,333,444)	(6,894,483)
Cash paid for claims and other payments	(6,105,248)	-	(6,105,248)	(5,498,776)
Cash paid to employees	(965,439)	(991,661)	(1,957,100)	(1,878,793)
Net cash provided by operating activities	<u>1,896,420</u>	<u>187,948</u>	<u>2,084,368</u>	<u>3,761,028</u>
<b>Cash flows from capital and related financing activities:</b>				
Purchase of equipment	-	(20,730)	(20,730)	(28,600)
Receipts from sale of capital assets	-	-	-	15,000
Net cash used in capital and related financing activities	<u>-</u>	<u>(20,730)</u>	<u>(20,730)</u>	<u>(13,600)</u>
<b>Cash flows from investing activities:</b>				
Interest income	457,719	5,097	462,816	473,259
Net increase/(decrease) in the fair value of investments	(52,071)	(728)	(52,799)	146,682
Sale of restricted investments	5,334,000	-	5,334,000	6,142,000
Purchase of restricted investments	(5,666,000)	-	(5,666,000)	(5,334,000)
Net cash provided by investing activities	<u>73,648</u>	<u>4,369</u>	<u>78,017</u>	<u>1,427,941</u>
Net increase in cash and cash equivalents	1,970,068	171,587	2,141,655	5,175,369
Cash and cash equivalents, July 1	<u>28,114,596</u>	<u>230,151</u>	<u>28,344,747</u>	<u>23,169,378</u>
Cash and cash equivalents, June 30	<u>30,084,664</u>	<u>401,738</u>	<u>30,486,402</u>	<u>28,344,747</u>
Restricted investments	<u>5,666,000</u>	<u>-</u>	<u>5,666,000</u>	<u>5,334,000</u>
Cash, cash equivalents, and restricted investments	<u>\$ 35,750,664</u>	<u>\$ 401,738</u>	<u>\$ 36,152,402</u>	<u>\$ 33,678,747</u>
<b>Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:</b>				
Operating income (loss)	\$ (1,361,457)	\$ 86,797	\$ (1,274,660)	\$ 1,060,720
Adjustments to reconcile operating income (loss) to net cash provided by operating activities:				
Depreciation	19,888	38,347	58,235	77,452
Change in assets and liabilities:				
(Increase)/decrease in accounts receivable	(88,183)	34	(88,149)	(31,448)
(Increase)/decrease in inventories	-	11,502	11,502	(39,356)
(Increase)/decrease in prepaids	120	2,627	2,747	16,319
Increase/(decrease) in accounts payable	(7,367)	46,366	38,999	110,622
Increase/(decrease) in workers compensation claims payable	683,267	-	683,267	1,529,358
Increase/(decrease) in liability insurance claims payable	2,628,260	-	2,628,260	1,015,663
Increase/(decrease) in liability for compensated absences	19,898	275	20,173	10,283
Increase/(decrease) in accrued salaries and benefits	1,994	2,000	3,994	11,415
Total adjustments	<u>3,257,877</u>	<u>101,151</u>	<u>3,359,028</u>	<u>2,700,308</u>
Net cash provided by operating activities	<u>\$ 1,896,420</u>	<u>\$ 187,948</u>	<u>\$ 2,084,368</u>	<u>\$ 3,761,028</u>
<b>Noncash capital activities:</b>				
Contribution of fixed assets	\$ 14,995	\$ 16,338	\$ 31,333	\$ 6,000



CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS - INSURANCE AND RISK MANAGEMENT FUND  
COMPARATIVE SCHEDULE OF NET ASSETS  
JUNE 30, 2004 AND 2003

Schedule F-4

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Current assets:		
Pooled cash and investments	\$ 30,084,664	\$ 28,114,596
Accounts receivable	137,064	48,881
Prepays	9,223	9,343
Noncurrent assets:		
Restricted pooled cash and investments:		
Certificate of deposit for self-insurance	5,666,000	5,334,000
Capital assets, net of accumulated depreciation	256,448	261,342
<b>TOTAL ASSETS</b>	<b>36,153,399</b>	<b>33,768,162</b>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	218,513	225,880
Accrued salaries and benefits	24,656	22,662
Liability insurance claims payable	13,740,103	11,111,843
Workers compensation claims payable	12,062,978	11,379,711
Compensated absences liability - current	37,137	41,863
Noncurrent liabilities:		
Compensated absences liability	30,066	5,442
<b>TOTAL LIABILITIES</b>	<b>26,113,453</b>	<b>22,787,401</b>
<u>NET ASSETS</u>		
Invested in capital assets, net of related debt	256,448	261,342
Restricted for certificate of deposit for self-insurance	5,666,000	5,334,000
Unrestricted	4,117,498	5,385,419
<b>TOTAL NET ASSETS</b>	<b>\$ 10,039,946</b>	<b>\$ 10,980,761</b>

CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS - INSURANCE AND RISK MANAGEMENT FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule F-5

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
<u>OPERATING REVENUES:</u>				
Insurance premiums	\$ 13,466,586	\$ 12,984,343	\$ (482,243)	\$ 13,989,034
Subrogation claims	235,000	101,870	(133,130)	247,696
TOTAL OPERATING REVENUES	13,701,586	13,086,213	(615,373)	14,236,730
<u>OPERATING EXPENSES:</u>				
Salaries	758,061	724,605	33,456	588,424
Benefits	228,363	235,356	(6,993)	181,165
Purchased services	4,666,482	4,020,214	646,268	3,845,800
Supplies	20,500	14,836	5,664	13,121
Property	12,500	2,346	10,154	7,468
Insurance claims	8,957,346	9,425,817	(468,471)	8,416,015
Depreciation	31,750	19,888	11,862	17,736
Other expenses	5,000	4,608	392	3,218
TOTAL OPERATING EXPENSES	14,680,002	14,447,670	232,332	13,072,947
OPERATING INCOME (LOSS)	(978,416)	(1,361,457)	(383,041)	1,163,783
<u>NON-OPERATING REVENUES:</u>				
Loss on disposal of asset	-	-	-	(697)
Investment income:				
Net inc/(dec) in the fair value of investments	150,000	(52,071)	(202,071)	144,574
Interest income	321,700	457,718	136,018	467,167
TOTAL NON-OPERATING REVENUES	471,700	405,647	(66,053)	611,044
CHANGE IN NET ASSETS BEFORE TRANSFERS	(506,716)	(955,810)	(449,094)	1,774,827
Transfers in	-	14,995	14,995	-
CHANGE IN NET ASSETS	(506,716)	(940,815)	(434,099)	1,774,827
NET ASSETS, JULY 1	10,980,761	10,980,761	-	9,205,934
NET ASSETS, JUNE 30	\$ 10,474,045	\$ 10,039,946	\$ (434,099)	\$ 10,980,761

CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS - GRAPHIC ARTS PRODUCTION FUND  
COMPARATIVE SCHEDULE OF NET ASSETS  
JUNE 30, 2004 AND 2003

Schedule F-6

<u>ASSETS</u>	<u>2004</u>	<u>2003</u>
Current assets:		
Pooled cash and investments	\$ 401,738	\$ 230,151
Accounts receivable	178	212
Inventories	252,055	263,557
Prepays	594	3,221
Noncurrent assets:		
Capital assets, net of accumulated depreciation	<u>159,700</u>	<u>194,423</u>
TOTAL ASSETS	<u>814,265</u>	<u>691,564</u>
<u>LIABILITIES</u>		
Current liabilities:		
Accounts payable	128,487	82,121
Accrued salaries and benefits	43,915	41,915
Compensated absences liability - current	<u>45,312</u>	<u>45,037</u>
TOTAL LIABILITIES	<u>217,714</u>	<u>169,073</u>
<u>NET ASSETS</u>		
Invested in capital assets, net of related debt	159,700	194,423
Unrestricted	<u>436,851</u>	<u>328,068</u>
TOTAL NET ASSETS	\$ <u>596,551</u>	\$ <u>522,491</u>

CLARK COUNTY SCHOOL DISTRICT  
INTERNAL SERVICE FUNDS - GRAPHIC ARTS PRODUCTION FUND  
SCHEDULE OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS  
BUDGET (GAAP BASIS) AND ACTUAL  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004  
(WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 2003)

Schedule F-7

	2004			2003
	Budget	Actual	Variance Positive (Negative)	Actual
<u>OPERATING REVENUES:</u>				
Graphic production sales	\$ 4,249,750	\$ 3,394,128	\$ (855,622)	\$ 3,733,118
<u>OPERATING EXPENSES:</u>				
Salaries	1,182,094	775,995	406,099	848,660
Benefits	345,503	220,349	125,154	215,844
Purchased services	2,258,900	1,553,100	705,800	1,871,887
Supplies	812,000	718,203	93,797	778,993
Property	30,000	1,337	28,663	61,081
Depreciation	54,770	38,347	16,423	59,716
Other expenses	24	-	24	-
TOTAL OPERATING EXPENSES	4,683,291	3,307,331	1,375,960	3,836,181
OPERATING INCOME (LOSS)	(433,541)	86,797	520,338	(103,063)
<u>NON-OPERATING REVENUES (EXPENSES):</u>				
Loss on disposal of assets	(40,000)	(33,444)	6,556	(49,979)
Investment income:				
Net inc/(dec) in the fair value of investments	-	(728)	(728)	2,108
Interest income	4,000	5,097	1,097	6,092
TOTAL NON-OPERATING REVENUES (EXPENSES)	(36,000)	(29,075)	6,925	(41,779)
CHANGE IN NET ASSETS BEFORE TRANSFERS	(469,541)	57,722	527,263	(144,842)
Transfers in	-	16,338	16,338	6,000
CHANGE IN NET ASSETS	(469,541)	74,060	543,601	(138,842)
NET ASSETS, JULY 1	522,491	522,491	-	661,333
NET ASSETS, JUNE 30	\$ 52,950	\$ 596,551	\$ 543,601	\$ 522,491

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# AGENCY FUND

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## STUDENT ACTIVITY AGENCY FUND

To account for the changes in assets and liabilities in the student activity funds under the control of the respective schools in the District.



CLARK COUNTY SCHOOL DISTRICT  
STUDENT ACTIVITY AGENCY FUND  
SCHEDULE OF CHANGES IN ASSETS AND LIABILITIES  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Schedule G-1

	<b><u>Balance</u></b> <b><u>July 1, 2003</u></b>	<b><u>Receipts</u></b>	<b><u>Disbursements</u></b>	<b><u>Balance</u></b> <b><u>June 30, 2004</u></b>
<b><u>ASSETS</u></b>				
Cash in bank	\$ <u>12,239,912</u>	\$ <u>44,706,298</u>	\$ <u>(42,829,600)</u>	\$ <u>14,116,610</u>
<b><u>LIABILITIES</u></b>				
Due to student groups	\$ <u>12,239,912</u>	\$ <u>44,706,298</u>	\$ <u>(42,829,600)</u>	\$ <u>14,116,610</u>

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# CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS

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Schedules of sources, functions and activities of capital  
assets used in the operation of governmental funds.



CLARK COUNTY SCHOOL DISTRICT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
COMPARATIVE SCHEDULES BY SOURCE<sup>1</sup>  
JUNE 30, 2004 AND 2003

Schedule H-1

	2004	2003
Governmental funds capital assets:		
Land	\$ 171,489,780	\$ 163,545,274
Land improvements	646,384,190	544,429,834
Building and building improvements	2,754,515,757	2,325,214,381
Furniture, fixtures and equipment	76,227,660	53,214,762
Vehicles	109,406,025	108,126,247
Construction in progress	202,118,955	319,655,946
Total governmental funds capital assets	<u>\$ 3,960,142,367</u>	<u>\$ 3,514,186,444</u>
Investments in governmental funds capital assets by source:		
General fund	\$ 101,941,378	\$ 93,234,858
Special revenue funds	11,678,297	9,982,837
Capital projects funds	3,846,522,692	3,410,968,749
Total governmental funds capital assets	<u>\$ 3,960,142,367</u>	<u>\$ 3,514,186,444</u>

<sup>1</sup> This schedule presents only the capital asset balances related to the governmental funds. Accordingly the capital assets reported in the internal service funds and the enterprise fund are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The capital assets of the enterprise fund are reported separately under business-type activities.

CLARK COUNTY SCHOOL DISTRICT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE BY FUNCTION<sup>1</sup>  
JUNE 30, 2004

Schedule H-2

FUNCTION	Land	Land Improvements	Buildings and Building Improvements	Furniture, Fixtures, and Equipment	Vehicles	Construction in Progress	Total
Instruction:							
Regular instruction	\$ 78,850,152	\$ 627,027,433	\$ 2,676,168,257	\$ 49,271,537	\$ 286,467	\$ 197,550,238	\$ 3,629,154,084
Special instruction	52,242	4,955,652	-	591,724	70,259	-	5,689,877
Vocational instruction	153,092	-	-	862,110	19,100	-	1,034,302
Adult instruction	-	-	-	191,882	24,998	-	216,880
Other instruction	-	-	-	110,095	-	-	110,095
Total instruction	\$ 79,055,486	\$ 631,983,085	\$ 2,676,168,257	\$ 51,027,348	\$ 400,824	\$ 197,550,238	\$ 3,636,185,238
Support services:							
Student support	-	-	1,438,750	94,832	127,978	-	1,661,560
Instructional staff support	-	57,907	8,434,098	2,518,087	415,712	-	11,425,804
Educational media services	1,320	-	2,798,857	4,861,819	150,047	-	7,812,043
General administration	460,156	9,362,082	2,734,971	443,088	126,384	4,568,717	17,695,398
Business support	-	-	3,527,657	679,628	215,552	-	4,422,837
Operation and maintenance of plant services	1,148,480	843,324	16,286,696	3,971,058	17,504,856	-	39,754,414
Student transportation	16,126	4,137,792	6,409,559	1,126,337	89,562,391	-	101,252,205
Central support	-	-	1,154,694	7,589,650	160,285	-	8,904,629
Facilities acquisition and construction services	90,808,212	-	35,562,218	3,915,813	741,996	-	131,028,239
Total support services	\$ 92,434,294	\$ 14,401,105	\$ 78,347,500	\$ 25,200,312	\$ 109,005,201	\$ 4,568,717	\$ 323,957,129
Total governmental funds capital assets	\$ 171,489,780	\$ 646,384,190	\$ 2,754,515,757	\$ 76,227,660	\$ 109,406,025	\$ 202,118,955	\$ 3,960,142,367

<sup>1</sup> This schedule presents only the capital assets balances related to the governmental funds. Accordingly, the capital assets reported in the internal service funds and the enterprise fund are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The capital assets of the enterprise fund are reported separately under business-type activities.

CLARK COUNTY SCHOOL DISTRICT  
CAPITAL ASSETS USED IN THE OPERATION OF GOVERNMENTAL FUNDS  
SCHEDULE OF CHANGES BY FUNCTION<sup>1</sup>  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004

Schedule H-3

FUNCTION	Governmental Funds Capital Assets July 1, 2003	Additions	Deletions	Governmental Funds Capital Assets June 30, 2004
Instruction:				
Regular instruction	\$ 3,198,837,982	\$ 952,700,670	\$ 522,384,568	\$ 3,629,154,084
Special instruction	5,513,673	156,204	-	5,669,877
Vocational instruction	912,477	155,511	33,686	1,034,302
Adult instruction	202,230	37,958	23,308	216,880
Other instruction	110,095	-	-	110,095
Total instruction	<u>\$ 3,205,576,457</u>	<u>\$ 953,050,343</u>	<u>\$ 522,441,562</u>	<u>\$ 3,636,185,238</u>
Support services:				
Student support	1,486,336	175,224	-	1,661,560
Instructional staff support	10,524,691	944,227	43,114	11,425,804
Educational media services	7,512,754	361,396	62,107	7,812,043
General administration	21,020,741	9,467,745	12,793,088	17,695,398
Business support	4,243,667	210,027	30,857	4,422,837
Operation and maintenance of plant services	24,280,077	15,922,590	448,253	39,754,414
Student transportation	101,825,350	2,510,179	3,083,324	101,252,205
Central support	7,135,071	2,072,901	303,343	8,904,629
Facilities acquisition and construction services	130,581,300	478,687	31,748	131,028,239
Total support services	<u>\$ 308,609,987</u>	<u>\$ 32,142,976</u>	<u>\$ 16,795,834</u>	<u>\$ 323,957,129</u>
Total governmental funds capital assets	<u>\$ 3,514,186,444</u>	<u>\$ 985,193,319</u>	<u>\$ 539,237,396</u>	<u>\$ 3,960,142,367</u>

<sup>1</sup> This schedule presents only the capital asset balances related to the governmental funds. Accordingly, the capital assets reported in the internal service funds and the enterprise funds are excluded from the above amounts. Generally, the capital assets of internal service funds are included as governmental activities in the statement of net assets. The capital assets of the enterprise fund are reported separately under business-type activities.

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# STATISTICAL SECTION

COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT

CLARK COUNTY SCHOOL DISTRICT  
NET ASSETS BY CATEGORY  
LAST THREE FISCAL YEARS <sup>1</sup>  
(*accrual basis of accounting*)

TABLE 1

	Fiscal Year	
	<u>2002</u>	<u>2004</u>
Governmental activities		
Invested in capital assets, net of related debt	\$ 348,735,421	\$ 385,309,486
Restricted for:		
Debt service	264,367,754	315,893,420
Capital projects	76,001,937	46,379,432
Other purposes	6,142,000	5,334,000
Unrestricted	(15,287,132)	50,463,168
Subtotal governmental activities net assets	679,959,980	803,379,506
Business-type activities		
Invested in capital assets, net of related debt	4,367,947	4,864,907
Unrestricted	20,364,774	26,734,934
Subtotal business-type activities net assets	24,732,721	31,599,841
Primary government		
Invested in capital assets, net of related debt	353,103,368	390,174,393
Restricted for:		
Debt service	264,367,754	315,893,420
Capital projects	76,001,937	46,379,432
Other Purposes	6,142,000	5,334,000
Unrestricted	5,077,642	77,198,102
Total primary government net assets	\$ 704,692,701	\$ 834,979,347
		\$ 1,025,700,863

<sup>1/</sup> Fiscal year 2002 was the first year the District presented net assets under GASB 34 guidelines. As such, accounting data is only available for the last three fiscal years.

**NOTE:** Accounting standards require that net assets be reported in three components in the financial statements: invested in capital assets, net of related debt; restricted; and unrestricted. Net assets are considered restricted when an external party, such as the state or federal government, places a restriction on how the resources may be used.

## TABLE 2

<sup>1/</sup> Fiscal year 2002 was the first year the District presented accounting information under GASB 34 guidelines. As such, accounting data is only available for the last three fiscal years.

<sup>2/</sup> Net (expense)/revenue is the difference between the expenses and program revenues of a program or function. It indicates the degree to which a program or function is supported with its own fees and program-specific grants versus its reliance upon funding from taxes and other general revenues. Numbers in parentheses indicate that expenses were greater than program revenues and therefore general revenues were needed to finance that program or function. Numbers without parentheses mean that program revenues were more than sufficient to cover expenses.

<sup>3/</sup> In fiscal year 2003, certain fiscal year 2002 expenses and program revenues were reclassified for comparative purposes.



### TABLE 3

<sup>1/</sup> Fiscal year 2002 was the first year the District presented accounting information under GASB 34 guidelines. As such, accounting data is only available for the last three fiscal years.

<sup>2/</sup> In fiscal year 2003, change in net assets and certain fiscal year 2002 general revenues were reclassified for comparative purposes.

CLARK COUNTY SCHOOL DISTRICT  
FUND BALANCES, GOVERNMENTAL FUNDS  
LAST TEN FISCAL YEARS  
(modified accrual basis of accounting)

TABLE 4

	Fiscal Year									
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
General Fund										
Reserved for:										
Inventories	\$ 2,873,011	\$ 3,123,238	\$ 2,462,465	\$ 2,558,839	\$ 3,167,053	\$ 3,495,544	\$ 2,476,935	\$ 2,574,507	\$ 1,817,803	\$ 1,939,549
Prepays	1,730,212	1,504,823	1,019,969	4,870,887	1,997,855	2,245,265	1,703,514	1,089,532	998,610	1,680,976
Capital leases	349,601	1,461,956	599,627	-	-	-	-	-	-	-
Encumbrances	-	1,514,383	15,000	-	-	-	-	3,360,789	3,242,400	11,314,523
Grants	-	-	-	-	-	-	-	159,741	-	3,010,030
Debt service	-	-	-	-	-	-	-	3,737,250	-	2,600,000
Unreserved:										
Designated	975,253	1,995,575	11,611,719	10,883,007	5,220,316	1,911,990	2,773,890	9,547,568	20,223,895	59,689,448
Undesignated	5,331,281	8,910,097	15,937,145	17,591,711	19,246,015	10,471,889	11,351,277	13,839,963	20,804,923	28,059,022
Subtotal general fund	11,259,358	18,510,072	31,645,925	35,904,444	29,631,239	18,124,688	18,305,616	34,309,350	47,087,631	108,293,548
All Other Governmental Funds										
Reserved for:										
Inventories	-	-	12,568	16,178	18,059	35,897	35,897	30,341	29,430	27,766
Prepays	55,691	38,735	145,505	50,997	99,121	135,613	280,593	96,612	55,348	57,000
Encumbrances	2,934,149	122,350,948	99,380,357	177,774,517	127,568,366	206,076,354	167,726,502	237,572,739	255,276,119	240,664,159
Grants	-	-	-	1,396,687	949,680	1,737,815	2,682,465	2,682,465	1,877,472	922,757
Debt service	51,404,167	65,995,237	68,451,475	79,888,141	98,074,163	119,905,940	158,581,812	262,452,162	314,387,690	367,604,124
Capital leases	-	-	895,048	981,451	1,028,906	1,078,657	1,130,813	1,884,800	-	-
Employee contract	3,789,008	-	-	-	-	-	-	-	-	-
Unreserved:										
Designated	288,379,743	441,930,302	594,242,962	331,279,990	288,317,988	294,104,687	158,611,082	414,977,302	24,019,108	42,523,330
Undesignated	5,662,562	18,424,299	8,374,074	11,496,558	8,049,461	12,402,495	10,468,121	20,973,766	2,302,688	40,084,069
Subtotal all other governmental funds	352,225,320	648,739,521	771,501,989	602,884,519	524,105,744	635,477,458	499,517,285	940,670,187	597,947,855	691,883,205
Total	363,484,678	667,249,593	803,147,914	638,788,963	553,736,983	653,602,146	517,822,901	974,979,537	645,035,486	800,176,753

CLARK COUNTY SCHOOL DISTRICT  
CHANGES IN FUND BALANCES, GOVERNMENTAL FUNDS  
LAST THREE FISCAL YEARS  
(modified accrual basis of accounting)

TABLE 5

	Fiscal year	
	2002	2004
<b>Revenues</b>		
Local	1,108,766,001	1,364,225,860
State	490,093,826	546,260,915
Federal	68,531,382	108,566,034
Other	497,318	3,963,180
Total Revenues	1,667,888,527	2,023,015,989
<b>Expenditures</b>		
Instruction	926,596,335	1,036,993,755
Student support	60,870,351	67,834,624
Instructional staff support	71,423,809	87,008,853
General administration	25,259,277	35,261,016
School administration	109,334,057	122,214,428
Business support	10,159,782	14,823,195
Operation and maintenance of plant services	141,508,279	165,070,997
Student transportation	57,288,798	61,016,503
Central support	14,864,701	18,651,135
Other support services	4,364,733	2,899,220
Facilities acquisition and construction services	436,150,062	1,770,325
Capital outlay	1,699,640	425,397,050
Debt service:		
Principal	97,350,000	115,809,024
Interest	111,409,427	139,119,656
Purchased services	-	400,633
Payment to refunded bond escrow agent	-	2,947,344
Bond issuance costs	-	1,887,462
Total Expenditures	2,068,279,251	2,299,105,220
Excess of revenues over (under) expenditures	(400,390,724)	(276,089,231)
<b>Other Financing Sources/(Uses)</b>		
Transfers in	245,496,664	208,298,789
Transfers out	(245,496,664)	(208,298,789)
General obligation bonds issued	-	400,000,000
General obligation refunding bonds issued	141,587,152	335,720,000
Premiums on general obligation bonds	-	63,890,384
Payment to refunded bond escrow agent	(140,858,549)	(368,379,886)
Total other financing sources/(uses)	844,358,668	431,230,498
Net change in fund balances	443,967,944	155,141,267

**CLARK COUNTY SCHOOL DISTRICT  
TAXABLE ASSESSED VALUE AND ESTIMATED ACTUAL VALUE OF PROPERTY  
LAST TEN FISCAL YEARS  
(in thousands of dollars)**

**TABLE 6**

Fiscal Year Ended June 30,				Less:		Total Taxable Assessed Value
	Residential Property	Commerical Property	Other Property	Tax Exempt Property		
1995	\$ 8,673,031	\$ 5,289,094	\$ 3,303,997	\$ 2,577,314	\$	\$ 14,688,808
1996	9,691,474	5,789,883	3,450,043	2,644,502		\$ 16,286,898
1997	10,934,514	6,369,365	3,733,864	2,809,520		\$ 18,228,223
1998	12,019,442	6,876,929	5,977,891	4,835,199		\$ 20,039,063
1999	13,514,050	7,545,007	6,380,522	4,831,198		\$ 22,608,381
2000	15,346,208	9,311,679	7,484,894	5,785,690		\$ 26,357,090
2001	16,789,955	10,479,901	8,324,742	6,430,315		\$ 29,164,283
2002	18,601,828	11,511,454	8,807,357	6,714,867		\$ 32,205,772
2003	21,838,659	12,539,950	9,202,348	7,322,377		\$ 36,258,580
2004	13,323,217	24,503,278	9,934,913	7,909,234		\$ 39,852,174

Source: Clark County Assessor

CLARK COUNTY SCHOOL DISTRICT  
PROPERTY TAX RATES \* - ALL DIRECT AND OVERLAPPING GOVERNMENTS  
LAST TEN FISCAL YEARS

TABLE 7

	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
<b>County Wide:</b>										
County Funds	\$ 0.6981	\$ 0.6705	\$ 0.6635	\$ 0.6635	\$ 0.6503	\$ 0.6429	\$ 0.6377	\$ 0.6202	\$ 0.6202	\$ 0.6502
School District	1.1935	1.1935	1.1935	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034	1.3034
State of Nevada	0.1650	0.1650	0.1650	0.1650	0.1650	0.1650	0.1650	0.1650	0.1650	0.1700
<b>Cities:</b>										
Boulder City	0.2190	0.1861	0.1951	0.2007	0.2012	0.2022	0.2022	0.2038	0.2038	0.2038
Henderson	0.7436	0.7124	0.7124	0.7035	0.7081	0.7040	0.7108	0.7108	0.7108	0.7108
Las Vegas	0.7361	0.7512	0.7465	0.6771	0.6741	0.6875	0.6873	0.7817	0.7809	0.7796
Mesquite	0.1141	0.1120	0.1120	0.1120	0.1120	0.1520	0.3020	0.3020	0.3020	0.3020
North Las Vegas	0.9860	0.9625	0.9625	1.1611	1.1649	1.1649	1.1734	1.1987	0.4978	1.1987
<b>Unincorporated:</b>										
Bunkerville	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
Enterprise	-	-	-	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Glendale	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	-	-
Indian Springs	0.0200	0.0200	0.0200	0.0200	0.0200	0.0250	0.0200	0.0200	0.0200	0.0200
Laughlin	0.8416	0.8416	0.8416	0.8416	0.8416	0.8416	0.8416	0.8416	0.8416	0.8416
Moapa	0.1094	0.1526	0.2344	0.2344	0.2344	0.2344	0.2344	0.2344	0.2344	0.2344
Moapa Valley	0.0200	0.0250	0.0250	0.0250	0.0250	0.0250	0.0200	0.0200	0.0200	0.0200
Mt. Charleston	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200	0.0200
Paradise	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Searchlight	0.1962	0.1199	0.1142	0.1158	0.1242	0.1177	0.1165	0.1232	0.1224	0.1153
Spring Valley	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Summerlin	-	-	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Sunrise Manor	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Whitney (East Las Vegas)	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
Winchester	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064	0.2064
<b>Other Governments:</b>										
Boulder City Library	0.0702	0.0702	0.0736	0.0766	0.0766	0.1766	0.1832	0.1820	0.1655	0.1655
Clark County Fire Service Area	0.1686	0.1631	0.1862	0.1899	0.2031	0.2105	0.2157	0.2197	0.2197	0.2197
Colorado River Ground Water Basin	0.0008	0.0008	-	-	-	-	-	-	-	-
Coyote Spring Valley Groundwater Basin	-	-	-	-	-	0.1457	0.2981	0.0711	0.0287	0.0402
Emergency 911 District	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050	0.0050
Henderson Library	0.0521	0.0500	0.0500	0.0500	0.0500	0.0500	0.0502	0.0507	0.0531	0.0535
Kyle Canyon Water District	0.1086	0.1052	0.1036	0.0820	0.0798	0.0752	0.0487	0.0487	0.0456	0.0417
Las Vegas Artesian Basin	0.0038	0.0058	0.0052	0.0034	0.0031	0.0026	0.0024	0.0022	0.0020	0.0018
Las Vegas-Clark County Library	0.1282	0.1271	0.1156	0.0994	0.1027	0.0969	0.0952	0.0971	0.0949	0.0977
Las Vegas Metro Police-Manpower -City	0.1025	0.0990	0.0933	0.1100	0.1593	0.2058	0.2721	0.2800	0.2800	0.2800
Las Vegas Metro Police-Manpower -County	0.0685	0.0703	0.0726	0.1100	0.1593	0.2058	0.2721	0.2800	0.2800	0.2800
Mt. Charleston Fire District	0.8813	0.8813	0.8813	0.8813	0.8813	0.8813	0.8813	0.8813	0.8813	0.8813
Muddy River Springs Area Groundwater Basin	-	-	-	-	-	0.1929	0.1657	0.1563	0.0970	0.0937
North Las Vegas Library	0.0582	0.0582	0.0582	0.0632	0.0632	0.0632	0.0632	0.0632	0.0632	0.0632

\* Per \$100 of assessed value, constitutional limit is \$3.64 on any one area's combined tax rate.

CLARK COUNTY SCHOOL DISTRICT  
PRINCIPAL PROPERTY TAX PAYERS  
CURRENT YEAR AND NINE YEARS AGO

TABLE 8

2004		1995	
<u>Taxpayer</u>	<u>Taxable Assessed Value</u>	<u>Taxpayer</u>	<u>Taxable Assessed Value</u>
MGM MIRAGE	1,454,573,759	MIRAGE RESORTS	\$ 496,764,630
MANDALAY RESORT GROUP	944,533,263	NEVADA POWER	485,118,063
PARK PLACE ENTERTAINMENT	832,007,688	CIRCUS CIRCUS PROPERTIES	404,300,800
NEVADA POWER	694,359,883	MGM GRAND HOTEL	322,256,790
F.S. ROUSE LLC	486,889,805	LAS VEGAS HILTION	247,144,580
VENETIAN HOTEL & CASINO	425,805,794	THE BOYD GROUP	156,347,950
STATION CASINOS	320,166,459	SPRINT/CENTRAL TELEPHONE	138,009,634
HARRAH'S ENTERTAINMENT	289,793,058	OASIS RESIDENTIAL	132,732,470
COAST RESORTS	238,753,638	BALLY'S GRAND	112,785,090
PULTE HOMES	183,582,836	CAESARS PALACE REALTY	109,669,960
Total	\$ 5,870,466,183	Total	\$2,605,129,967
			17.74%

Percentage  
of Total City  
Taxable  
Assessed  
Value

Percentage  
of Total City  
Taxable  
Assessed  
Value

Source: Assessor's Office, Secured and Unsecured Tax Roll 2003-04

CLARK COUNTY SCHOOL DISTRICT  
PROPERTY TAX LEVIES AND COLLECTIONS  
LAST TEN FISCAL YEARS

TABLE 9

Fiscal Year Ended June 30,	Taxes Levied for the Fiscal Year	Collected within the		Collections in Subsequent Years	Total Collections to Date	
		Amount	Percentage of Levy		Amount	Percentage of Levy
1995	\$ 415,677,557	\$ 406,713,760	97.84%	\$ 8,958,163	\$ 415,671,923	99.99%
1996	452,207,882	444,346,304	98.26%	7,850,821	452,197,125	99.99%
1997	503,801,976	497,694,024	98.79%	6,076,496	503,770,520	99.99%
1998	576,716,478	567,575,022	98.41%	8,986,786	576,561,808	99.97%
1999	649,110,898	642,770,695	99.02%	6,097,060	648,867,755	99.96%
2000	772,380,556	761,900,282	98.64%	7,439,913	769,340,195	99.61%
2001	868,396,798	854,836,513	98.44%	10,318,676	854,836,513	98.44%
2002	962,786,058	949,315,930	98.60%	12,039,240	949,315,930	98.60%
2003	1,133,516,337	1,118,892,620	98.71%	12,238,477	1,118,892,620	98.71%
2004	1,262,775,465	1,251,864,740	99.14%	*	1,251,864,740	99.14%

\* Still in the process of being collected  
Data Source: Clark County Treasurer

**CLARK COUNTY SCHOOL DISTRICT  
RATIOS OF OUTSTANDING DEBT BY TYPE  
LAST TEN FISCAL YEARS**

*(dollars in thousands, except per capita)*

**TABLE 10**

Fiscal Year	Governmental Activities				Business -Type Activities		Total Primary Government	Percentage of Personal Income <sup>a</sup>	Per Capita <sup>a</sup>
	General		Obligation Revenue		Capital Leases	Capital Leases			
	Bonds		Bonds						
1995	831,741		-	708	442		832,891	3.45%	804
1996	1,148,487		-	11,156	342		1,159,985	4.28%	1,039
1997	1,457,657		-	18,918	176		1,476,751	4.87%	1,239
1998	1,417,567		-	16,317	90		1,433,974	4.36%	1,142
1999	1,580,172		-	15,335	22		1,595,530	4.32%	1,188
2000	1,613,612		250,000	12,674	-		1,876,286	4.70%	1,323
2001	1,537,677		445,620	9,887	-		1,993,184	4.66%	1,337
2002	1,971,477		717,485	1,938	-		2,690,900	5.81%	1,749
2003	1,836,743		731,265	-	-		2,568,008	5.13%	1,615
2004	2,147,609		706,490	-	-		2,854,099	N/A	1,739

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.  
<sup>a</sup> See Table 15 for personal income and population data. These ratios are calculated using personal income and population for the prior calendar year.



CLARK COUNTY SCHOOL DISTRICT  
RATIOS OF GENERAL BONDED DEBT OUTSTANDING  
LAST TEN FISCAL YEARS

(dollars in thousands, except per capita)

TABLE 11

Fiscal Year	General Bonded Debt Outstanding			Percentage of Actual Value <sup>a</sup> of Property	Per Capita <sup>b</sup>
	General Obligation Bonds	General Obligation Revenue Bonds	Total		
1995	831,741	-	831,741	5.66%	802.61
1996	1,148,487	-	1,148,487	7.05%	1,029.17
1997	1,457,657	-	1,457,657	8.00%	1,222.66
1998	1,417,567	-	1,417,567	7.07%	1,129.36
1999	1,580,172	-	1,580,172	6.99%	1,176.13
2000	1,613,612	250,000	1,863,612	7.07%	1,313.59
2001	1,537,677	445,620	1,983,297	6.80%	1,330.04
2002	1,971,477	717,485	2,688,962	8.35%	1,747.73
2003	1,836,743	731,265	2,568,008	7.08%	1,615.37
2004	2,147,609	706,490	2,854,099	7.16%	1,738.68

**Note:** Details regarding the District's outstanding debt can be found in the notes to the financial statements.

<sup>a</sup> See Table 6 for property value data.

<sup>b</sup> Population data can be found in Table 15.

CLARK COUNTY SCHOOL DISTRICT  
DIRECT AND OVERLAPPING DEBT  
AS OF JUNE 30, 2004  
(dollars in thousands)

Governmental Unit	TABLE 12			
	Gross Debt	Monies Available	Net Debt Outstanding	Estimated Percentage Applicable
<b>Direct Debt:</b>				
Clark County School District	2,854,099	367,604	2,486,495	100%
<b>Overlapping Debt:</b>				
County General Obligation Bonds	778,985	123,152 <sup>2</sup>	655,833	100%
Bond Bank <sup>1</sup>	642,995	-	642,995	100%
Clark County Fire District	2,825	2,825 <sup>2</sup>	-	100%
Regional Flood Control District <sup>1</sup>	147,420	12,318 <sup>2</sup>	135,102	100%
Searchlight Town	101	40 <sup>2</sup>	61	100%
Big Bend Water District <sup>1</sup>	11,821	-	11,821	100%
Department of Aviation <sup>1</sup>	79,550	-	79,550	100%
University Medical Center <sup>1</sup>	104,535	-	104,535	100%
Kyle Canyon Water District	83	-	83	100%
Clark County Sanitation District <sup>1</sup>	58,270	-	58,270	100%
Las Vegas Valley Water District <sup>1</sup>	1,018,350	-	1,018,350	100%
Other County Debt	2,042	199 <sup>2</sup>	1,843	1,843
Las Vegas Convention Authority <sup>1</sup>	117,735	17,299	100,436	100%
Boulder City	-	-	-	0%
City of Henderson	309,597	1,503	308,094	100%
City of Las Vegas	312,513	9,036	303,477	100%
City of North Las Vegas	114,145	60,461	53,684	100%
State of Nevada <sup>1</sup>	2,545,599	-	2,545,599	58%
Clark County Library District	47,600	8,814	38,786	100%
City of Mesquite	16,322	-	16,322	100%
<b>Subtotal, overlapping debt</b>				<b>5,005,690</b>
<b>Clark County School District direct debt</b>				<b>2,486,495</b>
<b>Total direct and overlapping debt</b>				<b>\$ 7,492,185</b>

\* Cities, towns and special districts overlap with the County, School District, Convention Authority, Water District and State, but not with each other.

<sup>1</sup> Ad valorem taxes are not used to repay these debts.

<sup>2</sup> These monies are held in the Clark County debt service funds.

CLARK COUNTY SCHOOL DISTRICT  
LEGAL DEBT MARGIN  
AS OF JUNE 30, 2004  
(dollars in thousands)

Table 13

	2004
Assessed value <sup>1</sup>	\$ 44,624,019
Legal debt margin	
Debt limit (15% of assessed value)	6,693,603
Debt applicable to limit: General obligation bonds (see Table 11)	2,854,099
Legal debt margin	\$ 3,839,504
Total debt applicable to limit as a percentage of debt limit	42.64%

**Source:** <sup>1</sup>Nevada Department of Taxation

**Note:** A statutory limit of bonded indebtedness for school districts is set forth in Chapter 387.400 of the Nevada Revised Statutes. The limitation is based on the 15 percent of the assessed valuation of property within the District, excluding motor vehicles.

CLARK COUNTY SCHOOL DISTRICT  
PLEDGED REVENUE BOND COVERAGE  
LAST TEN FISCAL YEARS  
(dollars in thousands)

TABLE 14

Fiscal Year	General Obligation Revenue Bonds						
	Room Tax	Real Estate Transfer Tax	Less:		Net Operating Revenue	Debt Service	
			Operating Expenses			Principal	Interest
1995	-	-	-	-	-	-	-
1996	-	-	-	-	-	-	-
1997	-	-	-	-	-	-	-
1998	-	-	-	-	-	-	-
1999	-	-	-	-	-	-	-
2000	39,654	14,066	-	-	53,720	-	6,950
2001	45,762	16,482	111	-	62,133	4,380	15,360
2002	42,108	19,563	449	-	61,222	14,340	27,430
2003	44,371	24,708	474	-	68,605	26,135	32,324
2004	51,688	41,090	1,074	-	91,704	27,170	27,084
							1.69
							1.17
							1.47
							3.15
							7.73

**Notes:** The District issues general obligation debt that is additionally secured by a pledge of proceeds of taxes deposited in the District's Bond Fund. Pursuant to applicable Nevada law, effective August 1, 1997, the County Treasurer has been depositing the proceeds of 1% room tax collected within the County in the Bond Fund. The proceeds of a tax equivalent to 60 cents for each \$500 of value on transferred real property is also deposited by the County. As of July 1, 1999, the District has continued to receive the proceeds of an additional 5/8% room tax collected within the County. The District pledges the room tax and the real property transfer tax revenues to pay debt service on certain general obligation debt.

CLARK COUNTY SCHOOL DISTRICT  
DEMOGRAPHIC AND ECONOMIC STATISTICS  
LAST TEN FISCAL YEARS

TABLE 15

Fiscal Year	Population <sup>1</sup>	Personal Income (thousands of dollars)	Per Capita Personal Income <sup>2</sup>	Number of Schools	School Enrollment <sup>3</sup>	Unemployment Rate <sup>4</sup>
1995	1,036,290	24,164,210	23,318	185	156,348	6.00%
1996	1,115,940	27,116,226	24,299	185	166,788	5.40%
1997	1,192,200	30,341,490	25,450	202	178,896	5.00%
1998	1,255,200	32,879,964	26,195	215	190,822	4.15%
1999	1,343,540	36,911,074	27,473	223	203,777	4.70%
2000	1,418,719	39,918,497	28,137	234	217,139	3.50%
2001	1,491,158	42,781,323	28,690	250	231,125	4.40%
2002	1,538,542	46,353,193	30,128	266	244,684	6.60%
2003	1,589,733	50,055,923	31,487	277	255,328	5.60%
2004	1,641,529	N/A	N/A	289	268,357	4.40%

Sources: <sup>1</sup> Nevada State Demographer's Office as estimated for June 30, 2004

<sup>2</sup> Bureau of Economic Analysis

<sup>3</sup> Clark County School District (4th Week) - Public School Enrollment Only

<sup>4</sup> Nevada Department of Employment Security

CLARK COUNTY SCHOOL DISTRICT  
 PRINCIPAL EMPLOYERS IN CLARK COUNTY  
 CURRENT YEAR

TABLE 16

2004

Employer

Clark County School District  
 Clark County  
 Bellagio, LLC  
 MGM Grand Hotel/Casino  
 The Mirage Casino-Hotel  
 Mandalay Bay Resort and Casino  
 State of Nevada  
 Caesar's Palace  
 Las Vegas Metropolitan Police  
 University of Nevada, Las Vegas

Source: Las Vegas Perspective, 2004

CLARK COUNTY SCHOOL DISTRICT  
DISTRICT EMPLOYEES BY FUNCTION/PROGRAM  
LAST TEN FISCAL YEARS

TABLE 17

Function/program	Fiscal Year									
	1995	1996	1997	1998	1999	2000	2001	2002	2003	2004
Instruction	10,709	11,393	12,384	13,664	15,125	16,183	16,671	17,651	18,111	19,265
Student Support	663	761	815	902	943	996	1,077	1,087	1,106	1,138
Instruction Staff Support	472	503	571	669	801	829	837	886	919	930
General Administration	154	180	188	198	202	213	239	258	305	344
School Administration	1,686	1,672	1,831	1,938	2,109	2,139	2,288	2,387	2,196	2,367
Business Support	183	186	187	200	214	207	212	210	215	257
Operating/Maint. Plant Services	1,439	1,549	1,613	1,744	1,873	1,970	2,007	2,025	2,153	2,305
Student Transportation	935	978	1,008	1,111	1,232	1,220	1,293	1,305	1,377	1,445
Central Support Services	181	197	175	200	204	220	198	207	195	215
Other Support	30	17	13	6	7	5	3	4	6	1
Food Service	1,349	917	1,022	1,167	1,276	1,624	1,658	2,314	2,228	2,113
Facilities acquisition and construction services	171	248	261	301	298	324	375	400	481	506
Total	17,972	18,601	20,068	22,100	24,284	25,930	26,858	28,734	29,292	30,886

CLARK COUNTY SCHOOL DISTRICT  
GOVERNMENTAL FUNDS CAPITAL ASSET STATISTICS BY FUNCTION  
LAST THREE FISCAL YEARS

TABLE 18

Function/program	Fiscal Year	
	2002	2003
		2004
Instruction:		
Regular instruction	\$ 2,773,203,120	\$ 3,198,837,982
Special instruction	5,352,123	5,513,673
Vocational instruction	788,888	912,477
Adult instruction	188,262	202,230
Other instruction	92,414	110,095
Total instruction	\$ 2,779,624,807	\$ 3,205,576,457
Support services:		
Student support	1,473,750	1,486,336
Instructional staff support	1,665,688	10,524,691
Educational media services	6,681,801	7,512,754
General administration	65,469,993	21,020,741
Business support	4,105,100	4,243,667
Operation and maintenance of plant services	21,266,255	24,280,077
Student transportation	84,762,067	101,825,350
Central support	9,452,078	7,135,071
Facilities acquisition and construction services	116,446,036	130,581,300
Total support services	\$ 311,322,768	\$ 308,609,987
Total governmental funds capital assets	\$ 3,090,947,575	\$ 3,514,186,444



# COMPLIANCE AND CONTROLS

COMPREHENSIVE  
ANNUAL  
FINANCIAL REPORT



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON INTERNAL CONTROL OVER  
FINANCIAL REPORTING AND ON COMPLIANCE AND OTHER MATTERS  
BASED ON AN AUDIT OF FINANCIAL STATEMENTS PERFORMED IN  
ACCORDANCE WITH *GOVERNMENT AUDITING STANDARDS***

To the Board of Trustees of the  
Clark County School District,  
Clark County, Nevada

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of Clark County School District, Clark County, Nevada (the "District") as of and for the year ended June 30, 2004, which collectively comprise the District's basic financial statements and have issued our report thereon dated October 1, 2004. We conducted our audit in accordance with auditing standards generally accepted in the United States of America and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

**Internal Control Over Financial Reporting**

In planning and performing our audit, we considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing our opinion on the financial statements and not to provide an opinion on the internal control over financial reporting. Our consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements caused by error or fraud in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over financial reporting and its operation that we consider to be material weaknesses.

### Compliance and Other Matters

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, we performed tests of its compliance with certain provisions of laws, regulations, contracts and grant agreements, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of our audit and, accordingly, we do not express such an opinion. The results of our tests disclosed no instances of noncompliance or other matters that are required to be reported under *Government Auditing Standards*.

This report is intended solely for the information and use of management and others within the District, and federal awarding agencies and pass-through entities and is not intended to be and should not be used by anyone other than these specified parties.

*Kafoury, Armstrong & Co.*

Las Vegas, Nevada  
October 1, 2004



**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

**INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH  
REQUIREMENTS APPLICABLE TO EACH MAJOR PROGRAM AND ON  
INTERNAL CONTROL OVER COMPLIANCE IN ACCORDANCE WITH  
OMB CIRCULAR A-133**

To the Board of Trustees of the  
Clark County School District  
Clark County, Nevada

Compliance

We have audited the compliance of Clark County School District, Clark County, Nevada (the "District") with the types of compliance requirements described in the U.S. Office of Management and Budget (OMB) *Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2004. The District's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. Our responsibility is to express an opinion on the District's compliance based on our audit.

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our audit provides a reasonable basis for our opinion. Our audit does not provide a legal determination of the District's compliance with those requirements.

In our opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2004. However, the results of our auditing procedures disclosed one instance of noncompliance with those requirements, which is required to be reported in accordance with OMB Circular A-133 and which is described in the accompanying schedule of findings and questioned costs as item 04-1.

#### Internal Control Over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing our audit, we considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine our auditing procedures for the purpose of expressing our opinion on compliance and to test and report on the internal control over compliance in accordance with OMB Circular A-133.

Our consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a reportable condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that noncompliance with applicable requirements of laws, regulations, contracts and grants caused by error or fraud that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control over compliance and its operation that we consider to be material weaknesses.

This report is intended solely for the information and use of management and others within the District, and federal awarding agencies and pass-through entities, and is not intended to be and should not be used by anyone other than these specified parties.

*Kafoury, Armstrong & Co.*

Las Vegas, Nevada  
October 1, 2004

**CLARK COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**  
(PAGE 1 OF 4)

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
<b>U.S. DEPARTMENT OF EDUCATION</b>			
<i>DIRECT PROGRAMS:</i>			
FIE - Health Occupations	84.215		\$ 55,368
FIE - Stars	84.215		314,916
FIE - Physical Education Program	84.215		65,446
FIE - Middle School Literacy	84.215		314,261
FIE - Earmark Grant	84.215		60,242
FIE - Desert Sunrise	84.215		84,982
FIE - Elementary School Counseling	84.215		23,288
Total			<u>918,503</u>
21st Century Community Learning Centers	84.287		6,686
21st Century Community Learning Centers	84.287		218,331
Total			<u>225,017</u>
Impact Aid: Maintenance and Operations	84.041		650,702
Indian Education: Formula Grants to Local Schools	84.060		136,780
Magnet Schools Assistance	84.165		2,842,322
Bilingual Education - Professional Development	84.195		131,022
Safe Schools/Healthy Students	84.184		404,437
Foreign Language Assistance - Espanol Para Mi	84.293		(82)
Space Explorers	84.214		95,951
Career Connections	84.303		3,809
Transition to Teaching	84.350		196,995
Total Direct Programs			<u>5,605,456</u>
<i>PASS THROUGH PROGRAMS FROM STATE OF NEVADA</i>			
<i>DEPARTMENT OF EDUCATION:</i>			
<b>Special Education Cluster</b>			
Response To Intervention	84.027	04-2715-81	9,935
Educate the Handicapped: Case Load	84.027	04-2715-72	2,969,825
Educate the Handicapped	84.027	04-2715-03	26,611,844
Administrators Institute	84.027	03-2715-39	624
Total			<u>29,592,228</u>
Early Childhood - Autism	84.173	03-2715-64	
Parents/Families of Children with Autism	84.173	04-2715-65	122,510
Educate the Handicapped Child: Preschool	84.173	03-2715-43	983,436
Total			<u>1,105,946</u>
Total Special Education Cluster			<u>30,698,174</u>

**CLARK COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**  
(PAGE 2 OF 4)

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
Title I: Part D	84.010	2003-271232	\$ 309,297
Title I: Disadvantaged	84.010	2003-271208	33,527,765
Title I: School Improvement	84.010	03-2713-91-TE	50,523
Title I: School Improvement	84.010	03-2712-90-RE	26,833
Title I: School Improvement	84.010	03-2712-89-LE	59,910
Title I: School Improvement	84.010	03-2712-88-CE	29,857
Total			<u>34,004,185</u>
Vocational Education: Administration	84.048	03-2676-03	2,906,457
Vocational Education: Non Traditional	84.048	03-2676-03	(304)
Vocational Education: Reserve	84.048	03-2676-03	6,502
Vocational Education: Corrections	84.048	03-2676-03	14,699
Vocational Education: Tech	84.048	03-2676-03	79,369
Total			<u>3,006,723</u>
21st Century Community Learning Centers	84.287	04-2709-133	143,335
21st Century Community Learning Centers	84.287	04-2709-132	154,735
21st Century Community Learning Centers	84.287	04-2709-134	89,506
21st Century Community Learning Centers	84.287	04-2709-135	85,557
21st Century Community Learning Centers	84.287	04-2709-136	85,684
21st Century Community Learning Centers	84.287	04-2709-145	76,160
21st Century Community Learning Centers	84.287	04-2709-146	63,591
21st Century Community Learning Centers	84.287	04-2709-147	51,629
21st Century Community Learning Centers	84.287	04-2709-148	73,564
21st Century Community Learning Centers	84.287	04-2709-149	99,903
Total			<u>923,664</u>
Education Technology State Grants	84.318	04-2713-87	138,444
Education Technology State Grants	84.318	03-2713-63	1,021,884
Education Technology State Grants	84.318	03-2713-83	4,366
Education Technology State Grants	84.318	03-2713-82	231,557
Total			<u>1,396,251</u>
Comprehensive School Reform Demonstration	84.332	2002-271271	105,108
Comprehensive School Reform Demonstration	84.332	03-2712-97	58,890
Comprehensive School Reform Demonstration	84.332	03-2712-99	62,055
Comprehensive School Reform Demonstration	84.332	03-2712-98	61,319
Comprehensive School Reform Demonstration	84.332	03-2712-86	75,558
Total			<u>362,930</u>
Reading Excellence	84.338	02-2709-81	47,366
Reading Excellence	84.338	02-2709-84	1,005
Reading Excellence	84.338	02-2709-85	88
Reading Excellence	84.338	02-2709-86	39,827
Reading Excellence	84.338	02-2709-91	18,175
Reading Excellence	84.338	02-2709-95	50,905
Reading Excellence	84.338	03-2709-59	4,854,522
Reading Excellence	84.338	02-2709-94	49,161
Reading Excellence	84.338	02-2709-92	46,955

**CLARK COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**  
(PAGE 3 OF 4)

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
Reading Excellence	84.338	02-2709-74	\$ 39,243
Reading Excellence	84.338	02-2709-93	44,361
Reading Excellence	84.338	04-2709-78	35,315
Reading Excellence	84.338	03-2709-68	32,097
Reading Excellence	84.338	04-2709-58	157,449
Reading Excellence	84.338	03-2709-71	38,449
Total			<u>5,454,918</u>
School Renovation Grants	84.352	2002-2709105	19,734
School Renovation Grants	84.352	02-2709100	1,899,494
School Renovation Grants	84.352	03-2709118	361
Total			<u>1,919,589</u>
Title III - English Language Acquisition	84.365	04-2709-25	1,474,291
Title III - English Language Acquisition	84.365	04-2709-36	90,937
Total			<u>1,565,228</u>
Improving Teacher Quality - Class Size Reduction	84.367	03-2706-53	7,144,885
Improving Teacher Quality - Teacher Quality	84.367	2004-271350	29,842
Improving Teacher Quality - Praxis	84.367		12,637
Total			<u>7,187,364</u>
Title I: Migrant Education	84.011	2003-271224	38,432
Title I: Part D Neglected & Delinquent Children	84.013	2004-2712-107	31,156
Safe and Drug-Free Schools and Communities	84.186	02-260508	1,114,701
Education for Homeless Children and Youth	84.196	2003-270960	93,028
NV 2000 Reform	84.276	2002-2706-35	487
Eisenhower Professional Development Program	84.281	02-2713-26	329
Sunrise Dual Language	84.288	T288S010285	195,654
Innovation Education Program Strategies	84.298	03-2713-03	3,058,338
School To Work	84.278	00-2678-21	(271)
Advanced Placement Program	84.330	2003-270909	76,941
Gear Up Program	84.334	01-2678-06	459,566
Teacher Quality Enhancement	84.336	03-2709-05	685
Title I: Accountability Grants	84.348	2003-271259	13,027
Mathematics and Science Partnerships	84.366	04-2713-47	<u>39,985</u>
Total Pass-through			<u>91,641,084</u>
<b>Total U.S. Department of Education</b>			<u><b>97,246,540</b></u>



**CLARK COUNTY SCHOOL DISTRICT**  
**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS**  
**FOR THE FISCAL YEAR ENDED JUNE 30, 2004**  
(PAGE 4 OF 4)

Federal Grantor / Pass-Through Grantor / Program Title	Federal CFDA Number	Agency or Pass-through Number	Program Expenditures
<b>U.S. DEPARTMENT OF AGRICULTURE</b>			
<i>PASS THROUGH PROGRAMS FROM STATE OF NEVADA</i>			
<i>DEPARTMENT OF EDUCATION:</i>			
<b>Child Nutrition Cluster</b>			
Federal School Breakfast	10.553		\$ 5,999,531
Federal School Lunch	10.555		25,530,516
Breakfast in classrooms pilot	10.553		383,614
<b>Total Child Nutrition Cluster</b>			<b>31,913,661</b>
 Food Distribution Program	 10.550		 2,791,405
 Team Nutrition Grants	 10.574		 6,594
Team Nutrition Grants	10.574		2,500
<b>Total</b>			<b>9,094</b>
 Child and Adult Care Food Program	 10.558		 75,376
<b>Total U.S. Department of Agriculture</b>			<b>34,789,536</b>
<b>U.S. DEPARTMENT OF THE INTERIOR</b>			
<i>PASS THROUGH PROGRAM FROM STATE OF NEVADA</i>			
<i>DEPARTMENT OF EDUCATION:</i>			
Indian Education Assistance - J.O'Malley Supplement	15.130	99-2715-03	5,007
<b>U.S. DEPARTMENT OF JUSTICE</b>			
<i>DIRECT PROGRAM:</i>			
COPS In School	16.710		1,292,797
<b>NATIONAL SCIENCE FOUNDATION</b>			
<i>DIRECT PROGRAM:</i>			
Mathematics and Science Enhancement I	47.076	ESI-9911904	981,111
Mathematics and Science Enhancement I	47.076	03-31249	12,940
Mathematics and Science Enhancement I	47.076	SA4033-10048	17,739
<b>Total National Science Foundation</b>			<b>1,011,790</b>
<b>U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES</b>			
<i>PASS THROUGH PROGRAM FROM STATE OF NEVADA</i>			
<i>DEPARTMENT OF EDUCATION:</i>			
Science and Health	93.938	04-2611-03	10,133
Prevention and Treatment of Substance Abuse	93.959	21XF64	5,319
Refugee School Impact Aid Grant	93.576	2002-2709001	105,747
<b>Total</b>			<b>121,199</b>
<b>CORPORATION FOR NATIONAL AND COMMUNITY SERVICE</b>			
<i>PASS THROUGH PROGRAM FROM STATE OF NEVADA</i>			
<i>DEPARTMENT OF EDUCATION:</i>			
Learn and Serve America	94.004	02-2706-03	2,451
<b>Total Federal Financial Assistance</b>	<b>150</b>		<b>\$ 134,469,320</b>

**CLARK COUNTY SCHOOL DISTRICT  
NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS  
FOR THE FISCAL YEAR ENDED JUNE 30, 2004**

**(1) Reporting Entity**

The accompanying schedule of expenditures of federal awards presents the expenditure activity of all federal awards programs of the Clark County School District (the "District") for the year ended June 30, 2004. The District's reporting entity is defined in Note 1 to its basic financial statements. All expenditures of federal awards received directly from federal agencies as well as federal awards passed through other government agencies are included in the schedule.

**(2) Basis of Accounting**

The accompanying schedule of expenditures of federal awards is prepared on the modified accrual basis of accounting. The amounts shown as expenditures of the Food Distribution Program represent the fair value of commodity food received by the District.

**(3) Relationship to Basic Financial Statements**

Expenditures of federal awards have been included in the individual funds of the District as follows:

General Fund	\$ 650,702
Special Revenue Fund - Federal Projects	99,036,413
Enterprise Fund - Food Service	<u>34,782,205</u>
Total	<u>\$ 134,469,320</u>

**CLARK COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004**

***Section I - Summary of Auditor's Results***

*Financial Statements*

Type of auditor's report issued	Unqualified
Internal control over financial reporting:	
Material weakness(es) identified?	No
Reportable condition(s) identified that are not considered to be material weaknesses?	No
Noncompliance material to financial statements noted	No

*Federal Awards*

Internal control over major programs:	
Material weakness(es) identified?	No
Reportable condition(s) identified that are not considered to be material weakness(es)?	No
Type of auditor's report issued on compliance for major programs	Unqualified
Any audit findings disclosed that are required to be reported in accordance with section 510(a) of Circular A-133?	Yes
Identification of major programs:	

<i>CFDA Number</i>	<i>Name of Federal Program or Cluster</i>
--------------------	---

84.365	English Language Acquisition
84.010	Title I
84.186	Safe and Drug-Free Schools and Community Project
16.710	COPS in Schools
84.352	School Repair and Renovation

Dollar threshold used to distinguish between type A and type B programs:	\$ 4,034,080
Auditee qualified as low-risk auditee?	Yes

**CLARK COUNTY SCHOOL DISTRICT  
SCHEDULE OF FINDINGS AND QUESTIONED COSTS  
FOR THE YEAR ENDED JUNE 30, 2004**

***Section II - Financial Statement Findings***

There were no findings.

***Section III - Federal Award Findings and Questioned Costs***

	<b>Questioned Costs</b>
U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH STATE OF NEVADA, DEPARTMENT OF EDUCATION	
04-1 Safe and Drug-Free Schools and Community Project – CFDA No. 84.186 – Grant No. 02-260508	
<i>Condition and Criteria:</i> The District earmarked and received federal monies for administrative costs at the District's standard indirect cost rate for fiscal year 03-04 of 3.16 percent. The Program guidelines allow for no more than 2 percent of the Safe and Drug-Free Schools and Community Project Funds to be reserved for administrative costs. It should be noted that the District became aware of the error in March 2004; however, the fiscal year 02-03 indirect costs were overstated.	
<i>Effect:</i> The District was overpaid for administrative costs.	\$ 11,315
<i>Cause:</i> Procedures in place to ensure proper budgeting during the application process were not followed.	
<i>Recommendation:</i> The responsible District personnel should be reminded of the procedures in place to ensure that earmarking requirements are properly budgeted.	

**CLARK COUNTY SCHOOL DISTRICT  
CURRENT STATUS OF PRIOR YEAR FINDINGS  
FOR THE YEAR ENDED JUNE 30, 2004**

U.S. DEPARTMENT OF EDUCATION, PASSED THROUGH STATE OF NEVADA,  
DEPARTMENT OF EDUCATION

03-1     Activities Allowed

*Condition:* The District over-charged the English Language Acquisition Program for services provided to score proficiency tests due to the District personnel relying on the computer generated automatic accrual at year-end.

*Recommendation:* The auditor recommended that, at year-end, District personnel should evaluate the automatic accruals generated by the computer system and verify that the accruals are accurately calculated and appropriately charged to the grants.

*Current Status:* The recommendation was adopted. No similar findings were noted in the 2004 audit.

**CLARK COUNTY SCHOOL DISTRICT  
AUDITOR'S COMMENTS  
JUNE 30, 2004**

**CURRENT YEAR STATUTE COMPLIANCE**

The Clark County School District conformed to all significant statutory constraints on its financial administration during the year.

**PROGRESS ON PRIOR YEAR STATUTE COMPLIANCE**

The District monitored all significant constraints during the year ended June 30, 2004.

**PRIOR YEAR RECOMMENDATIONS**

There were no recommendations made in the audit report for the year ended June 30, 2003.

**CURRENT YEAR RECOMMENDATIONS**

We did not note any financial weaknesses of a magnitude to justify inclusion within this report.

However, our audit did identify recommendations to improve procedures and accountability that have been included in our management letter dated October 1, 2004.

**CLARK COUNTY SCHOOL DISTRICT  
NEVADA REVISED STATUTES  
354.6113 AND 354.6115  
JUNE 30, 2004**

NEVADA REVISED STATUTE 354.6113

Nevada Revised Statute 354.6113 requires that the audit report must include a statement by the auditor indicating whether the annual budget and audit report of the local government prepared pursuant to NRS 354.624 specifically identify the fund and: (Our responses are in italics.)

- A. Indicate in detail the capital projects that have been constructed with money from the fund.

*The Bond Fund (a Capital Projects Fund) was created by Clark County School District in accordance with Nevada Revised Statute 354.6113. At June 30, 2004, the Schedule of Revenues, Expenditures and Changes in Fund Balance for the Fund is included in the financial statements at Schedule A-8. This schedule reports the total expenditures during the year for capital projects. The Business Office of the Clark County School District maintains detailed records of each capital project constructed.*

- B. Specify the amount of money, if any, that will be deposited in the fund for the next fiscal year.

*The amount of money that is expected to be deposited into the fund via sale of bonds, transfers from other funds, and local sources of revenue has been incorporated in the District's 2004-05 budget.*

- C. Specify any proposed capital projects that will be constructed with money from the fund during the next fiscal year.

*The Board of School Trustees for the District approved a Capital Improvement Plan on September 22, 2003. The proposed capital projects have been incorporated in the District's 2004-05 budget.*

- D. Identify any planned accumulation of the money in the fund.

*The planned accumulation and the planned uses thereof have been incorporated in the District's 2004-05 budget.*

NEVADA REVISED STATUTE 354.6115

A fund was created in accordance with Nevada Revised Statute 354.6115, "Fund to stabilize operations of local government and mitigate effects of natural disaster". However, the fund is inactive and had no fund balance at any time during the year. In future periods, funds may be deposited and/or accumulated in the Fund for Budget Stabilization if in any year general fund revenues have exceeded appropriated expenditure levels and the ending fund balance is not less than 2 percent of total general fund revenues as required by District Regulation 3110.





**KAFOURY, ARMSTRONG & CO.**  
A PROFESSIONAL CORPORATION  
CERTIFIED PUBLIC ACCOUNTANTS

## INDEPENDENT ACCOUNTANT'S REPORT

To the Board of Trustees of the  
Clark County School District  
Clark County, Nevada

We have reviewed the assertion provided by management in accordance with Nevada Revised Statute 354.624(5)(a):

- The identified funds are being used expressly for the purposes for which they were created.
- The funds are administered in accordance with accounting principles generally accepted in the United States of America.
- The reserved fund balances/net assets in the funds were reasonable and necessary to carry out the purposes of the funds at June 30, 2004 (based on the interpretation of reasonable and necessary provided by the Legislative Counsel Bureau).
- The sources of revenues, including transfers, available for the funds are as noted in the financial statements.
- The funds conform to significant statutory and regulatory constraints on its financial administration during the year ended June 30, 2004.
- The balance and net assets of the funds are as noted in the financial statements.

This assertion is the responsibility of the management of the Clark County School District.

Our review was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants. A review is substantially less in scope than an examination, the objective of which is the expression of an opinion on the assertion. Accordingly, we do not express such an opinion.

Based on our review, nothing came to our attention that caused us to believe that the assertion provided by management referred to above is not fairly stated in all material respects.

*Kafoury, Armstrong & Co.*

Las Vegas, Nevada  
October 1, 2004